

PROCESS OF SOCIAL NETWORKS DEVELOPMENT IN AN ENTREPRENEURIAL SETTING: A CASE OF FAST GROWING FIRMS IN PAKISTAN

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to the University of Exeter as a thesis for the degree of Doctor of Philosophy
in Management Studies

October, 2017

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Signature:

Acknowledgements

In my opinion, a person is a product of his/her learning and understanding of the circumstances that occur around them over the period of time. It includes all the people, situations and one's efforts to cope with those situations that ultimately enable one to achieve something. My PhD journey has been no different. This journey could not have been possible without the support of Almighty Allah who constantly guided me, blessed me with abilities and courage to complete this thesis.

My thesis would not have been possible without the support of my supervisors. Their understanding and motivating attitude really facilitated the whole process. The discussions with them helped me to get further clarity in my ideas and improved my work. My heartiest gratitude goes to them. Furthermore, I would like to thank my examiners for their constructive comments to improve my work.

The most important people in my life, my parents and my siblings who inspired me to take this leap towards the world of academics and were my constant support throughout this journey. A special thanks to my father, Mr. Muhammad Khawar Sethi, a well-networked entrepreneur himself, who helped me to gain access to people for my research and opened new avenues of experiences for me. These experiences helped me in understanding the context better and myself as well.

A special thanks to all the entrepreneurs who agreed to participate in this research study and shared their experiences with me. I am really grateful for their time and co-operation not only for my research study but also helping me for further data collection.

Last but not the least, my friends, both in UK and Pakistan. While my time in the UK, I made friends from all over the world who did not leave me alone and helped me grow as a person during this entire journey. All these people have contributed in my achievement and I am eternally grateful.

میری رائے میں ایک شخص کے سیکھنے میں تمام لوگ اور حالات کا عمل ہے جن سے وہ گزرتا ہے۔ میری پی اچ دی کا سفر بھی کچھ الگ نہیں رہا۔ یہ سفر اللہ تبارک و تعالیٰ کی مدد کے بغیر ممکن نہیں ہو سکتا تھا جو مجھے مسلسل ہدایت دیتا ہے اور جس نے مجھے اس کام کو ختم کرنے کی صلاحیت سے نوازا۔

میرا تھیسس مرے سپروائزر کی حمایت کے بغیر ممکن نہیں ہو سکتا تھا۔ ان کی تفہیم اور حوصلہ افزائی نے اس پورے عمل کو آسان بنا دیا۔ ان سے بات کرنے سے مرے خیالات کو مزید وضاحت ملی۔ میں ان کی تھیں دل سے شکر گزار ہوں۔ میری زندگی میں سب سے اہم لوگ مرے والدین اور میری فیملی ہیں جن کی حوصلہ افزائی کی وجہ سے میں نے اس علمی دنیا میں قدم رکھا۔ میں خاص طور پر اپنی والدہ اور والد کی شکر گزار ہوں جنہوں نے مجھے اپنی تحقیق کے لیے لوگوں تک رسائی لینے میں مدد کی۔ میں ان لوگوں کا بھی شکریہ ادا کرتی ہوں جن لوگوں نے میری اس تحقیق میں حصہ لیا۔ آخر میں میں پاکستان اور برطانیہ میں اپنے سب دوستوں کا شکریہ ادا کرنا چاہتی ہوں جنہوں نے اس پورے سفر میں میرا بہت ساتھ دیا۔

Abstract

Social Networks are broad set of actors or organizations and relations between them. The recent review of the literature shows that the research has been focused mainly on the effects of social networks on the entrepreneurial process but little attention is being paid to the process of development of social networks during an entrepreneurial process. The present studies highlight the aspects of process through analyzing life cycle, teleology, dialectic and evolutionary views of process of development of social networks.

This thesis presents 'Becoming a Networked Entrepreneur', a substantive theory of process social network development in Entrepreneurship Literature constructed using Constructivist Grounded Theory approach to study the 13 entrepreneurs of Fast Growing Firms in Lahore, Pakistan.

There are three main conceptual domains of this theory: sources of networks and actions of the entrepreneur and Developmental Patterns. The process of becoming a networked entrepreneur involves constant interaction of entrepreneur with the environment where sources of networks enable the entrepreneur to get connected to a network actor. Through studying the process of becoming a networked entrepreneur, the researchers can view the process in an integrated approach which involves the development of networks before starting the venture and interaction of entrepreneur with the environment where these networks are being developed. The process of becoming a networked entrepreneur presents a framework to study the networks and their development along the entrepreneurial venture.

Key words: Entrepreneurship, Social Networks, Process View, Constructivist Grounded theory

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Chapter 1: Introduction

“We all connect, like a net we cannot see”

(Mickenberg & Dugan 1996)

1.1 Introduction to the study

Aldrich and Zimmer (1986) were one of the first researchers who suggested the need to study the connection between the process and social networks in Entrepreneurship research (Lamine et al. 2015). Several research studies have shown how the networking and social networks are related to entrepreneurship (Larson & Starr 1993; Hite & Hesterly 2001; Hoang & Antoncic 2003; Jack et al. 2008; Jack et al. 2010; Slotte-Kock & Coviello 2010). Most of the papers focus on either observing the change in structure of these networks or how the change in the nature of ties affects the entrepreneurial process (Hoang & Antoncic 2003). There is a need of an integrative approach to studying the development of networks where the entrepreneur, his/her network and the entrepreneurial firm could be studied simultaneously (Lamine et al. 2015; Jack et al. 2010; Slotte-Kock & Coviello 2010). This study has been designed to develop such approach that allows the researchers to study the three elements together in an integrated approach using Constructivist Grounded Theory (Charmaz 2006; Charmaz 2014). The substantive theory of networking in Entrepreneurship, ‘Becoming a Networked Entrepreneur’ has been constructed that comprises of three interlinked categories namely sources of networks, Actions of Entrepreneurs and Developmental Patterns.

The entrepreneurship in Pakistan has developed significantly over the recent years. According to Global Entrepreneurship Monitor (GEM) report 2012, the individuals who succeed in starting a new business have a high level of respect in the society and the

starting of a business is considered as a good career choice. The report also indicates that the male respondents are three times more aware of someone who has started a business in the last two years - a proxy measure of networking with the entrepreneurs. The males also perceive a higher number of start-up opportunities and are confident about being equipped with knowledge, skill and experience to start a new business. The female respondents have less fear of failure to start a business (Qureshi, M. Shahid; Mian 2012). According to the Invest2Innovate (i2i) Ecosystem report presented in 2016, the entrepreneurship ecosystem – the environment that supports the growth of businesses - in Pakistan is growing with the increase in the number of incubators, co-working spaces, competitions and other support players since 2012. In 2016, the entrepreneurship in Pakistan has become more localised and with various new initiatives launched by Pakistanis on the ground (Invest2Innovate 2016).

This chapter will present an introduction to this research study starting from an elaborate account of the motivation to pursue this research study in the context of Pakistan. As mentioned in the first paragraph of the thesis, this study of being designed using Constructivist Grounded Theory presented by (Charmaz 2006; Charmaz 2014). According to Charmaz (2006), the researcher plays an active role in designing, directing and constructing the theory that is being presented. By adopting the constructivist grounded theory approach, the thesis will be presented in the first person. I acknowledge that as a sole author, I could not write as an impartial observer (Geertz 1988). Unlike the positions presented by Glaser and Strauss, the researcher is actively involved in constructing the particular understanding of the phenomenon being studied (Charmaz 1990). Furthermore, throughout this thesis, I have included my personal reflections and decisions while pursuing this research study.

Constructivist Grounded theories are context specific 'grounded' in the data from which they are constructed (Charmaz, 2006). According to this view, any analysis is contextually situated in time, place, culture and situation (Charmaz, 2006). The understanding of the context being studied is crucial for a constructivist grounded theorist as he/she acknowledges what they see and not see rests on the values. The second section of this chapter will present the detailed information about the entrepreneurship ecosystem, the networks that are present for the entrepreneurs in Pakistan and the fast growing firms that have been studied for this research study. The information about these networks have been gathered through the interactions with the entrepreneurs during this research study.

The Fast Growing Firms in Pakistan are ranked by All World Network, a project started by Michael Porter in 2011. The organization's mission is to 'make visible the scalable growth entrepreneurs of the emerging world, creating the largest information system and network of growth entrepreneurs'. The organization ranks the entrepreneurial firms in a country based on their growth to present the expanding world's entrepreneurial economy. The most prominent rankings are Arabia 500, Africa 500, Asia 500, Eurasia 500 and Latin America 500. This section will provide the details of what this context presents for this research study.

The third section of the chapter will provide the aims and objectives of this research study. The constructivist grounded theory starts from a broad set of areas or ideas that the researcher wants to study and the focus of the study is directed depending on the data collected during the research study (Charmaz, 2006). This section will provide the details how the general question 'how do social networks develop during an entrepreneurial process in Pakistan?' was directed towards 'how a person becomes

networked entrepreneur during an entrepreneurial process in Pakistan?’ The fourth section of the chapter will outline how this research study contributes to knowledge in the field of entrepreneurship research followed by a thesis map signposting the reader regarding the structure of this thesis.

1.2 Research Motivation

The following excerpt from the Research Diary maintained during this research study provides an account of the research motivation and identification of a research interest area by the researcher. Research Diary is an effective tool for the constructivist grounded theorists to keep a record of all the research ideas and be aware of any assumptions that could influence the research findings (Charmaz, 2014).

“The main inspiration for the research study came from my personal experience and observation of my father, an entrepreneur who has been successfully running his automobile dealership for 30 years now. Right from childhood, I have been observing my father being an entrepreneur and interacting with people from different walks of life. Over the years, I have observed him maintaining good relationships with people. The most exciting part was that whenever my siblings or I needed advice regarding careers and making a choice regarding the subjects, my father could always manage to let us meet the right person who could give advice. Before studying the entrepreneurship course in my undergraduate programme, I never considered knowing many people and interacting with them was called ‘networking’. I was quite fascinated by the idea of being connected to different people in life and maintaining those relationships. We live in a country where relationships are considered very important and a certain business and social decorum is required while interacting with people. There were many questions that came to my mind while observing this

phenomenon. The first question was: was it just my father as an entrepreneur who is connected to such wide range of people/network actors or is it true for every entrepreneur? The second question was is it my father's nature of business that he has an opportunity to interact with so many people? The third question was despite knowing many people, my father met few of them on regular basis but whenever he needed some guidance, those acquaintances offered help because of the cordial interaction in the past. This got me thinking whether my father is driving the development of his network or the other factors are driving the development of his network? With all these questions the thing that changed recently was the idea of entrepreneurs getting together – an opportunity to connect. I know my father has been an active member of the Chamber of Commerce for a long time but apart from the Government institutions, there are informal and formal platforms being formed to network and connect entrepreneurs from different industries and sectors. So I formulated a research question: how do these networks develop in an entrepreneurial setting? There has to be an explanation of the development of all these networks that are developed during an entrepreneurial process. So the first person that could reflect on the development of these networks would be the entrepreneur himself!"

The above mentioned account provides the details and assumptions as mentioned by Charmaz (2006) before starting the research study. The account gives a starting point of a line of inquiry that is being followed in this research study. The first question is related to the entrepreneurial process for each entrepreneur follows the same steps and the network develops along with it. The second question is related to the entrepreneurial process and the extent of network that develops along with it. The third line of inquiry is related to strong and weak ties (Granovetter 1973). Charmaz (2006) argues that it is not possible for a researcher to enter a research field without any

assumptions. So it is helpful to record all those assumptions to ensure that the researcher could reflect on the findings. The procedure of using memos throughout the research process helps in recording these influences.

1.3 Aims and Objectives

1.3.1 Aims

This research aims to study the process of social network development along the entrepreneurial process in Fast Growing Firms in Pakistan. The research will focus on an in-depth study of how the networks are formed before starting the venture until the current state of the entrepreneurial venture and provide insight into the development patterns and changes over time. The temporal stance taken will highlight the processes that lead to specific outcomes and lead to change. This research aims to provide a theoretical construct that is grounded in the empirical evidence explaining the development of social network along the entrepreneurial process using multiple units of analysis.

1.3.2 Objectives

The following are the objectives of this research:

- Describe the process of social network development during entrepreneurial process in fast growing firms
- Examine the developmental patterns of networks of entrepreneur and the venture before starting the venture until the current state.
- Develop a theoretical framework for studying the process of social networks along the entrepreneurial process.

1.4 Research questions

Charmaz (2014) argues that researchers who use their disciplinary ideas to guide their research should also pay attention to its implications on the research. She suggested the use of Herbert Blumer's (1969) idea of sensitising concepts – a broad term without definitive characteristics that spark your thinking about a topic. So asking the research question at the start of a grounded theory study in a constructivist approach also shows the researchers' involvement in the construction of theory. Grounded Theorists generally start the study with certain guiding empirical interests to study (Charmaz, 2006). The following figure (1) shows the development stages of the research inquiry for this study.

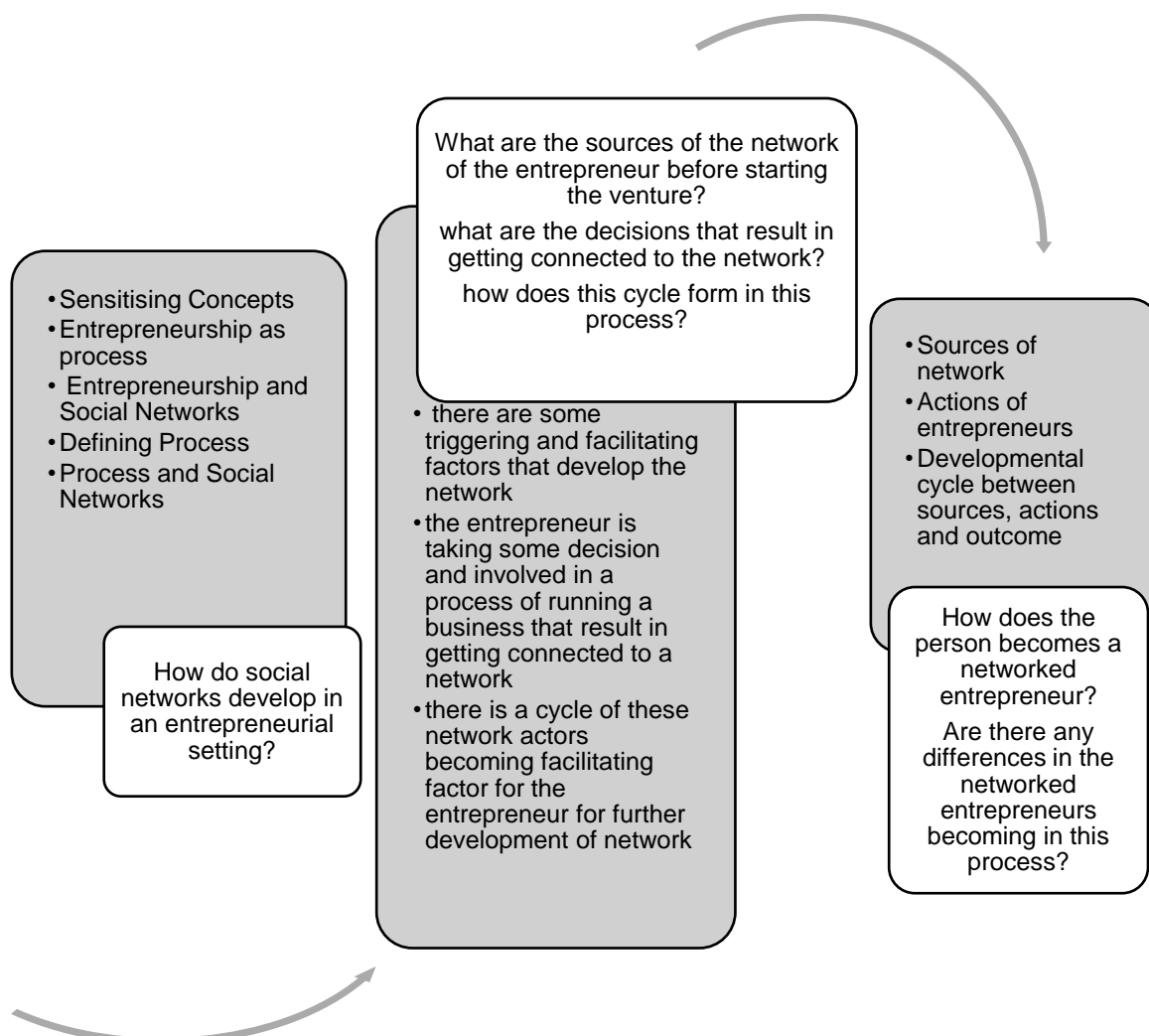


Figure 1 - The Development Stages of the research inquiry

The transformation of these questions from the start to the end i.e. construction of grounded theory 'Becoming a networked Entrepreneur' will be explained in detail in Chapter 4. The use of open coding followed by focused coding, making comparisons and engaging in theoretical sampling will be discussed in that chapter.

1.4 Context

The context selected for this research study is Lahore, Pakistan. In 2012, the population of Pakistan was over 179 million making it the world's sixth most populous country behind Brazil and ahead of Nigeria (GEM report, 2012). The urban population expanded sevenfold during 1950 to 2011.

The structure of the population in Pakistan is quite encouraging as 70 percent of the population is under the age of 30 years (i2i Report, 2016). Pakistan is a country with a very young demographic that is quite connected with internet penetration of 17.8 percent, 13.5 million mobile broadband users and 125 million phone subscribers (i2i Report, 2016). The 90 percent of the private firms are small and medium enterprises that hire 80 percent of non-agricultural labour force and contribute 40 percent towards the GDP of Pakistan (GEM Report, 2012).

Entrepreneurship in Pakistan has developed over the recent years despite of the volatile political and security environment (i2i Report, 2016). In 2016, Bloomberg declared the Pakistan Stock Exchange (KSE 100) as the best of Asian markets and fifth-best performing stock index in the world.

According to the United Nations Development Program, 23 percent of Pakistani youth (approximately 12 million) want to start their business. Due to these encouraging figures, Pakistan has been labelled as a land of opportunity.



Figure 2 - Pakistan: A Land of Opportunity (Source: Invest2Innovate Report, 2016)

The entrepreneurial activity has increased over the years. According to GEM Report, 2012, 27.5 percent of the working age individual population wanted to start a business in the next 3 years whereas 13.7 percent of the population were nascent entrepreneurs. The report further showed that variations in the total early stage entrepreneurial activity in different regions of Pakistan. The following table shows that Khyber Pakhtoon Khwa has the highest rate of entrepreneurial activity followed by Baluchistan and Punjab.

Table 1 - Total Early Stage Entrepreneurial Activity in Pakistani Regions in 2012

Sindh	9.30%
Punjab	10.60%
Baluchistan	14.10%
Khyber Pakhtoon Khwa	19.70%

The increase in the internet penetration has allowed the people to be digitally connected and have provided opportunities to freelancers such as IT (Information Technology) graduates in Pakistan to find jobs online and be self-employed. The development of platforms like Khan Academy, Coursera (launched in 2012), Udacity (launched in 2012) and other Massive Open Online Courses (MOOC) are providing the opportunity for online learning and skills development. According to EdX – an open online course provider, The MOOC platform of Harvard and MIT, Pakistan is among the top 10 countries that have high level of participation. Pakistanis have also launched the local chapters of global brands like Start-up Weekend, Start-up Grind, Lean Start-up machine, Start-up cup and TEDx events. The first TEDx event was held in year 2010 and the first start up weekend was held in 2011 (i2i report, 2016). Google Developer group and Google Business Group events are also held regularly in the country. Diaspora Pakistani Entrepreneur Association, OPEN (Organization of Pakistani Entrepreneurs) launched its local chapters in Lahore, Karachi and Islamabad in 2012. There are numerous events, competitions and entrepreneurship forums that are being held in Pakistan on regular basis. The business leaders in Pakistan that have had an exposure of the international entrepreneurial landscape have recently been involved in these initiatives through mentorship and incubation centres. The entrepreneurs interviewed for this research study are actively involved in these activities. Following is a snapshot of the Entrepreneurial Ecosystem adapted from i2i Report 2016. The Entrepreneurial Ecosystem in Pakistan has developed very rapidly in recent years with new university entrepreneurship incubator centres and accelerators being formed.

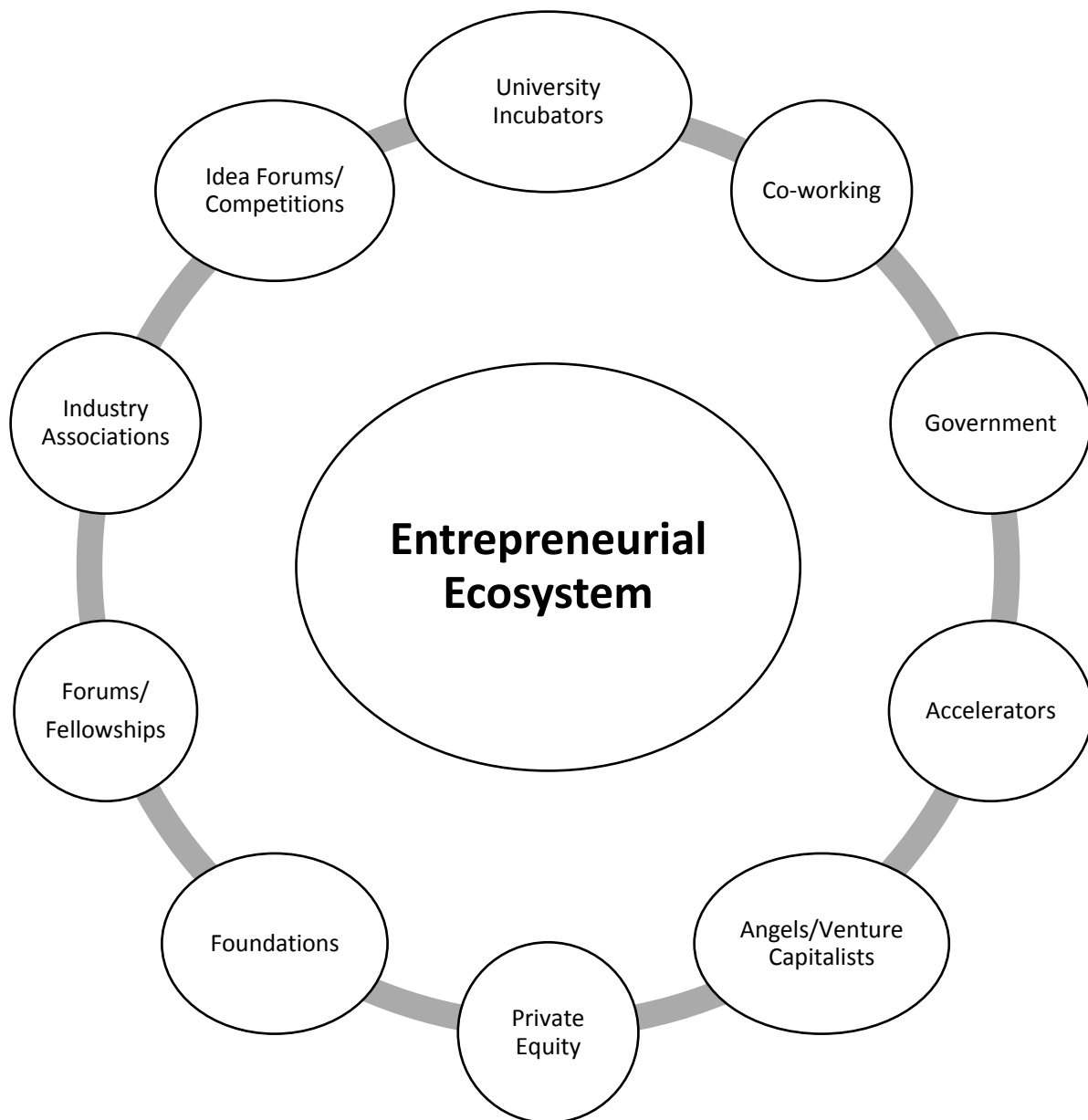


Figure 3 - A Snapshot of the Entrepreneurial Ecosystem adapted from i2i Report (2016)

The entrepreneurs selected for this research study are the Fast Growing Firms ranked by Allworld Network in 2012 based in Lahore. Allworld network provides the opportunity for the entrepreneurial ventures to get connected to other entrepreneurs and firms all over the world. According to the report by Allworld Network 2012, the average age of the companies ranked as Fast Growing is 11 years and average age of entrepreneurs is 44 years. These companies have created 13,224 jobs from year

2008 to 2010 for the economy of Pakistan. The maximum number of companies listed in the ranking are based in Lahore where this research was conducted. The following table shows the number of companies from other cities in Pakistan.

Table 2 – The distribution of companies in Pakistan according to cities

City	Number of Companies
Lahore	42
Karachi	33
Islamabad	12
Rawalpindi	8
Peshawar	7
Sialkot	2
Sargodha	1
Kamoke	1
Multan	1
Total	107

The following table shows the total revenue generated by the ranked companies and their rate of growth during 2008-2010. The growth rate of these companies is 10 times faster than the Pakistan's GDP (All World 2012).

Table 3 – The total revenue and growth rate of the ranked companies

Revenue and Growth Rate	
Total (Aggregate) Revenue/ Turnover 2010	\$ 1,453,968,056
Average Revenue 2010	\$ 16,712,277
Median Revenue 2010	\$ 6,637,500
Average Standard Growth (2008-2010)	178%
Median Growth Rate (2008-2010)	83%
Average Compound Annual Growth Rate(CAGR)	55%
Median Compound Annual Growth Rate(CAGR)	35%

The majority of the entrepreneurs listed in the ranking are male (92 percent) and the average age of the CEO when they started the entrepreneurial venture is 30 years.

The following table shows the distribution of CEOs based on gender in ranked companies.

Table 4 – Percentage of Male and Female Entrepreneurs in ranked companies

Gender	
Male	92%
Female	8%
Average age of CEOs at founding first company	30
Average age of CEOs at founding current company	32

The companies listed in the ranking are from various industry sectors. The most companies that have managed to grow are from the Software Products and Services that make 10 percent of the companies followed by Construction & Engineering and Professional and Consulting making 9 percent each. The following table shows the percentage of the companies from different industries.

Table 5 – The percentage of the companies from different industries

Industry	%
Software Services & Products	10 %
Construction & Engineering	9%
Professional & Consulting	9%
Manufacturing & Packaging	8%
Textiles & Fashion	8%
Education	6%
Imports/Export Trade	6%
Health & HealthCare	6%
Agriculture & Mining	5%
High-Tech & Telecommunications	5%
Computer Networking & Software	4%
E-commerce & web services	4%
Finance & Insurance	3%
Consumer Goods	3%
Other	3%
Travel & Tourism	2%
Food Industries	2%
Media, Publishing & Printing	2%
Automotive	2%

Charmaz (2014) argues that it is crucial to learn about the worlds that you are researching. The 13 firms that have been studied for these research study are a part of All-World network. They are from different industries but all of them are based in Lahore and connected to each other. The firms are part of different industries but are connected by All-World network. The other connection that have been identified through this research study is OPEN (Organization of Pakistani Entrepreneurs) Lahore Chapter – an initiative taken by the entrepreneurs in Lahore to get connected and contribute to the entrepreneurial ecosystem of Pakistan. The entrepreneurs studied in this research study are also connected through school or university and industry specific groups. The entrepreneurs are also linked through entrepreneurial clubs and universities due to engaging in the incubator mentorship centres. The field work conducted throughout this research has revealed all these connections.

The following table shows the profile of all the firms and their entrepreneurs included in this research study.

Table 6 - Profile of Selected Entrepreneurs and their ventures

Entrepreneurs	Industry	Gender	Location
1	Software Services and Products	Male	Lahore
2	Computer Networking and Software	Male	Lahore
3	Manufacturing and Packaging	Male	Lahore
4	Manufacturing and Packaging	Male	Lahore
5	Professional and Consulting Services	Male	Lahore
6	Automotive	Male	Lahore

7	High Tech and Telecommunication	Male	Lahore
8	High Tech and Telecommunication	Male	Lahore
9	Manufacturing and Packaging	Male	Lahore
10	Professional and Consulting Services	Male	Lahore
11	Manufacturing and Packaging	Male	Lahore
12	Manufacturing and Packaging	Male	Lahore
13	High Tech and Telecommunication	Male	Lahore
14	Software Services and Products	Male	Lahore

The following research journal entry explains the understanding of the social world studied in this research study.

Research Journal Entry: Context of the study

After conducting the interviews and field work, I see a connected world of entrepreneurs! All the entrepreneurs are linked to each other and part of various networks. In Lahore, the entrepreneurial clubs have started to form by the entrepreneurs to get together and contribute to the development of entrepreneurship in Pakistan. In 2012, when I started the field work and approached the entrepreneurs ranked by the All world Network, there was a lot of excitement among the entrepreneurs being recognized globally. Through All World Network, the entrepreneurs were introduced to each other from different industries. The entrepreneurs started to get together in entrepreneurial clubs such as Organization of Pakistani Entrepreneurs (OPEN) Lahore Chapter was launched in 2013. At the

entrepreneur level, they were connected to different networks related to entrepreneurial venture such as customer network, partners' network and entrepreneurial team. An interesting finding of the research revealed that these entrepreneurs were linked other than all world network. They either studied together in the university or were from the same university. The interaction between these entrepreneurs has increased due to involvement in the mentorship and incubation centres. In other words, they expanding their networks through these activities. The entrepreneurs who have studied and worked abroad have a network of friends and colleagues outside Pakistan.

Entrepreneurship is a context dependent social process (Low & Abrahamson 1997) but entrepreneurship scholars have neglected the social and cultural dynamics (Reynolds & White 1997). Entrepreneurship has been considered as a driving force behind economic development providing millions of jobs, different goods and services, increasing national prosperity and competitiveness (Zahra 1999). There is a considerable difference in level of entrepreneurial activity in different countries despite progress (Berger 1991). Entrepreneurship develops 'bottom up' as the culture plays a role of a conductor and an entrepreneur as catalyst (Berger, 1991).

The culture is defined as 'an interpretive framework through which individuals make sense of their own behaviour, as well as the behaviour of collectivities in their society' (Scott & Lane 2000). Social relations are culturally constituted and social structure is shaped by shared cultural meanings (Pachucki & Breiger 2010).

Networks are best seen as primarily cultural phenomena that is as sets of meanings, norms and expectations usually linked with behaviour correlates of various kinds

(Curran et al. 1993). Even though the network developed by each entrepreneur is *de facto* unique to that individual, it is reasonable to assume that 'proprietors in different countries may exhibit different networking styles' (Birley et al. 1990). There are two sets of arguments about entrepreneurship: first are the Universalists who argue that entrepreneurs have more in common with their international counterparts than with non-entrepreneurs from their own culture (McGrath & MacMillan 1992; McGrath et al. 1992).

Second are those scholars who argue that the national differences alongside other cultural variables impact significantly on the levels and nature of entrepreneurship (Shane et al. 1991; Shane 1992; Johannisson & Monsted 1997; Dana 1995; Thomas & Mueller 2000). Klyver, Hindle and Meyer (2008) identified two extreme ideal typical positions within the existing research on culture and social networks in entrepreneurship although research places itself in between these two extremes. One extreme position argues that social network plays a generic and universal role regardless of the culture and the industry in which entrepreneur operates.

There may be differences in how the social networking is practiced, however, the role of research according to this position is to explore the common and generic elements across contexts. On the other hand the other extreme position argues that the social networking is context determined. The social networking differs dramatically depending on the culture and the industry in which entrepreneurs operate. According to this position, it does not make sense to search for any generic, universal, mono-dimensional nature of entrepreneurial networking (Klyver et al. 2008).

According to cultural dimensions (Hofstede 1980), Pakistan's score is as follows:

Table 7 – Hofstede's Cultural Dimensions of Pakistan

Cultural Dimension	Score	Interpretation
Power Distance Power Distance is defined as the extent to which the less powerful members of institutions and organisations within a country expect and accept that power is distributed unequally.	55	This dimension deals with the fact that all individuals in societies are not equal. It expresses the attitude of the culture towards these inequalities amongst us. With an intermediate score of 55, it is not possible to determine a preference for Pakistan in this dimension.
Individualism The fundamental issue addressed by this dimension is the degree of interdependence a society maintains among its members. It has to do with whether people's self-image is defined in terms of "I" or "We". In Individualist societies people are supposed to look after themselves and their direct family only. In Collectivist society's people belong to 'in groups' that take care of them in exchange for loyalty.	14	Pakistan, with a very low score of 14, is considered a collectivistic society. This is manifest in a close long-term commitment to the member 'group', be that a family, extended family, or extended relationships. Loyalty in a collectivist culture is paramount, and over-rides most other societal rules and regulations. The society fosters strong relationships where everyone takes responsibility for fellow members of their group. In collectivist societies offence leads to shame and loss of face, employer/employee relationships are perceived in moral terms (like a family link), hiring and promotion decisions take account of the employee's in-group, management is the management of groups.
Masculinity A high score (Masculine) on this dimension indicates that the society will be driven by competition, achievement and success, with success being defined by the winner / best in field – a value system that starts in school and continues throughout organisational life.	50	Pakistan scores 50 on this dimension, and as this is an exactly intermediate score it cannot be said if Pakistan has a preference to Masculinity or femininity.

<p>A low score (Feminine) on the dimension means that the dominant values in society are caring for others and quality of life. A Feminine society is one where quality of life is the sign of success and standing out from the crowd is not admirable. The fundamental issue here is what motivates people, wanting to be the best (Masculine) or liking what you do (Feminine).</p>		
<p>Uncertainty Avoidance This dimension has to do with the way that a society deals with the fact that the future can never be known: should we try to control the future or just let it happen? This ambiguity brings with it anxiety and different cultures have learnt to deal with this anxiety in different ways. The extent to which the members of a culture feel threatened by ambiguous or unknown situations and have created beliefs and institutions that try to avoid these is reflected in the UAI score.</p>	70	<p>Pakistan scores 70 on this dimension and thus has a high preference for avoiding uncertainty. Countries exhibiting high Uncertainty Avoidance maintain rigid codes of belief and behaviour and are intolerant of unorthodox behaviour and ideas. In these cultures there is an emotional need for rules (even if the rules never seem to work) time is money, people have an inner urge to be busy and work hard, precision and punctuality are the norm, innovation may be resisted, security is an important element in individual motivation.</p>
<p>Long Term Orientation This dimension describes how every society has to maintain some links with its own past while dealing with the challenges of the present and future, and societies prioritise these</p>	50	<p>With an intermediate score of 50, the culture of Pakistan cannot be said to indicate a preference.</p>

<p>two existential goals differently. Normative societies which score low on this dimension, for example, prefer to maintain time-honoured traditions and norms while viewing societal change with suspicion. Those with a culture which scores high, on the other hand, take a more pragmatic approach: they encourage thrift and efforts in modern education as a way to prepare for the future.</p>		
<p>Indulgence One challenge that confronts humanity, now and in the past, is the degree to which small children are socialized. Without socialization we do not become “human”. This dimension is defined as the extent to which people try to control their desires and impulses, based on the way they were raised. Relatively weak control is called “Indulgence” and relatively strong control is called “Restraint”. Cultures can, therefore, be described as Indulgent or Restrained.</p>	0	<p>Pakistan, with an extremely low score of 0 on this dimension, can be said to be a very Restrained society. Societies with a low score in this dimension have a tendency to cynicism and pessimism. Also, in contrast to Indulgent societies, Restrained societies do not put much emphasis on leisure time and control the gratification of their desires. People with this orientation have the perception that their actions are Restrained by social norms and feel that indulging themselves is somewhat wrong.</p>

Source: <https://geert-hofstede.com/pakistan.html> (Accessed on 24 April, 2015).

The general argument is that individualism (McGrath & MacMillan 1992; Shane 1992; Tiessen, J 1997; Lee & Peterson 2000; Morrison 2000) and masculinity (Lee & Peterson 2000) have a positive association with a nation’s levels of entrepreneurship whereas uncertainty avoidance (McGrath, MacMillen and Tsai, 1992; Shane, 1992;

Tiessen, 1997; Lee and Peterson, 2000; Morrison, 2000) and power distance (Shane, 1992; Lee and Peterson, 2000) can have a negative impact (Klyver & Foley 2012). Pakistan is an interesting example of a collectivist country with high uncertainty avoidance score showing great potential in developing its entrepreneurial ecosystem. In terms of social networks, the collectivist culture gives great importance to the relationships and managing those relationships according to its cultural norms.

Despite the extensive use of Hofstede's cultural dimensions, it has also been criticised (McSweeney 2001). The main criticism has been on culture delimited to nation-state (Sivakumar & Nakata 2001). They argued that culture is not limited nation-state in fact there are multiple cultures in one country at one point in time. Moreover, national culture is changeable over time and it's heterogeneous within a given country. McSweeney's criticism on the Hofstede's model is on the basis of methodology and she argues whether a national culture is capable of explaining behavioural differences between individuals living in different cultures. Hofstede has also faced criticism in Entrepreneurship literature regarding nation=culture axiom (Garcia-Cabrera & Garcia-Solo 2008) from an intra country point of view in the approach to cultural differences in their study of entrepreneurial behaviour in Cape Verde (Klyver and Foley, 2012). The participants of this research also have exposure to different cultures other than Pakistan due to studying in foreign universities, working in foreign companies and doing business with companies outside Pakistan.

1.6 Contribution to Knowledge

This research study presents the following contribution to knowledge in the field of Entrepreneurship.

1. This study has used the Constructivist Grounded theory presented by Charmaz (2006) to theorize the process of development of social networks in the field of Entrepreneurship. Different methodologies have been used in the field of Entrepreneurship especially the research on the process of social network development. The use of in-depth interviews, open coding, focused coding and memos to build a substantive theory in the field of Entrepreneurship is one of the contributions of this research study.
2. The substantive theory of networking 'Becoming a Networked Entrepreneur' has been constructed through the analysis of the experience of entrepreneur engaging in entrepreneurial process and getting connected to different network actors. This theory presents a transferable integrated process view to study the development of networks through three conceptual domains: sources of network, actions of the entrepreneur and transformation of a source into a connection to again becoming a source of network. This substantive theory also shows the different outcomes of this process of becoming networked entrepreneur i.e. every networked entrepreneurs has different extent of ties in his network. Through this theory, a new line of inquiry regarding development of networks has been introduced for further research.
3. Through studying the context of entrepreneurs in Pakistan, this study has contributed to the field of Entrepreneurship contextualized understanding of the process of entrepreneurship and social network development in a new context. The entrepreneurship in Pakistan has developed in recent years and the entrepreneurs are engaged in various networking activities.

1.7 Limitation of Research

According to Patton (2002), there are no perfect research designs and there are always trade-offs.

1. This study has used 13 cases of entrepreneurial ventures and 26 in-depth interviews with the entrepreneurs from Lahore to construct a substantive theory of networking. Such small number of cases used in this research can be considered as a limitation but as Charmaz (2006) argues that the constructivist grounded theory is 'open to refinement' and 'does not approach some sort of generalizable truth'.
2. I am the only one who analysed the data, so the initial ideas and interpretation of the data depended on my understanding of the field. According to the arguments by Glaser, the researchers should use their personal views and interpretation as another source of data minimizing the research bias (Glaser 2002). However, Charmaz (2006) argues that the constructivist grounded theorists should reflect on their views and interpretation throughout the research process not just at the analysis stage. Through using the guidelines by Charmaz (2006; 2014) of coding, comparative analysis, memo writing and theoretical sampling, I have tried to be reflective of what I bring to the research study.
3. All the entrepreneurs interviewed in this research study are males and it poses a limitation to this research study. The further research including the female entrepreneurs and their network development along the entrepreneurial process could increase our understanding of the subject.

1.8 Thesis Map

This thesis is divided into seven chapters.

Chapter 2: Literature Review: This chapter reviews the literature in Entrepreneurship regarding social networks and their development. There are four main process views used for studying the development of networks in Entrepreneurship literature. The networks in the Entrepreneurship literature have been conceptualized as independent and dependent variable.

Chapter 3: Methodology and Research Design.

This chapter introduces the Grounded Theory Method and the Constructivist version of the method used in this research study. Grounded Theory was introduced by Glaser and Strauss in 1960s and the method has developed over the years. Charmaz has presented the guidelines to 'construct grounded theories' rather than 'being discovered'.

Chapter 4: Study Methods

This chapter explains the use of Constructivist Grounded Theory method of collecting and analysing the data collected. Every step of the research process is explained from data collection, initial and focused coding, memo writing and engaging in theoretical sampling.

Chapter 5: Constructivist Grounded Theory Presented: Becoming Networked Entrepreneur

This chapter presents the substantive theory of networking 'Becoming a Networked Entrepreneur' with three conceptual domains: sources of networks, actions of the entrepreneur and developmental patterns. The process of becoming a networked

entrepreneur starts from the sources of network that the entrepreneurs trace back to for every connection that they have in the network. The actions of the entrepreneur related to entrepreneurial process that result in getting connected to a network. The sources of network transform into connection and become source for another connection.

Chapter 6: Discussion

This chapter discusses how this substantive theory extends the understanding of the social network development in the Entrepreneurship literature. Through drawing on the literature around process views, social network and business network approaches to study the development networks in Entrepreneurship literature, this study has devised a theoretical framework grounded in the empirical data.

Chapter 7: Conclusion and Recommendations

This chapter concluded the whole thesis by evaluating the grounded theory devised in the previous chapters. The chapter also provides recommendations for further research and its implications for policy makers and entrepreneurs.

The next chapter presents the review of literature for this research study.

Chapter 2: Literature Review

“Entrepreneurship is a slippery concept, not easy to work into formal analysis because it is so closely associated with the temperament or personal qualities of individuals”

(Penrose 1959)

2.1 Introduction

This chapter aims to review the relevant literature that aided and enhanced the initial focus of this study. The issue of when and how to conduct a literature review in a grounded theory study has long been disputed and misunderstood (Charmaz, 2014; p306). The classic grounded theorists (Glaser & Strauss 1967; Glaser 1978) argue for a delayed literature review to counter the preconceptions often referred to as 'received theory'. They argue that the purpose of a delayed literature review is to avoid preconceived ideas and imposing them on your work. However, many scholars like (Bulmer 1984), (Dey 1999) and (Layder 1998) reject the argument that a researcher can be viewed as a '*tabula rasa*' presented by Glaser and Strauss. Many grounded theorists assert that the lack of familiarity with relevant literature is highly unlikely (Clarke 2005; Dunne 2011; Goldkuhl & Cronholm 2010; Henwood & Pidgeon 2003; Lempert, L 2007; Thornberg 2012; Tummers & Karsten 2012). The researchers typically hold the certain perspectives and knowledge of the relevant field. The doctorate candidates and researchers applying for research grants are required to show a level of familiarity with the extant literature before conducting the study.

Charmaz (2006; 2014) argues that the grounded theorists' background assumptions and disciplinary perspectives guide them to look at their data with certain possibilities. These assumptions and perspectives shape the research topic. The depiction of 'sensitizing concepts' provide a useful way to present how the grounded theorists have

the initial ideas about the topic area and sensitize themselves to ask particular questions about the topic (Blumer 1969). Charmaz (2006; 2014) asserts that a constructivist grounded theorist should use these sensitising concepts as tentative tools for developing their ideas thus treating them as '*points of departure*' rather than '*the end*'.

(Thornberg 2012) presented the idea of an 'informed grounded theory'. He argues that,

"What I call informed grounded theory refers to a product of a research process as well as to the research process itself, in which both the process and the product have been thoroughly grounded in the data by GT methods while informed by existing research literature and theoretical frameworks. ... In contrast to the classic GT tradition, but in accordance of the constructivist GT tradition, an informed grounded theorist sees the advantage of using pre-existing theories and research findings in the substantive field in a sensitive, creative, and flexible way instead of seeing them as obstacles and threats. Informed GT has its roots in constructivist GT and pragmatist idea of abduction, and hence fits it very well with constructivist GT. Yet its sensitising principles in how to use literature...can also work in tandem with Glaser's as well as Strauss and Corbin's version of GT as long as researcher rejects pure induction and the dictum of delaying literature, uses the logic of abduction during the whole research process, and recognises his or her embeddedness within a historical, ideological and socio-cultural context, and hence that data always are social constructions and not exact pictures of reality" (p. 7)

In this research study, I had a level of familiarity with the topic area due to my educational background in the field of Entrepreneurship and my personal experiences.

So I entered the field with some acquired knowledge and initial research interests. The details of my reflections on the assumptions and perspectives are presented in Chapter 3. I conducted an initial literature review for a research proposal as a part a doctorate candidate at University of Exeter. The purpose of that review was to show that I have a good understanding of the research area and relevant literature. The initial literature review as presented by (Charmaz 2006; Charmaz 2014) gave me an opportunity to identify major topic areas in the field and relevant literature. So I entered the field not as a '*tabula rasa*'. After the initial literature review and some areas of interest, the process of data collection and analysis was started. In the process of data analysis, additional literature was reviewed for interpretation and deeper understanding and development of categories in the presented Constructivist Grounded Theory in Chapter 5.

The following review of the literature aims to provide a contextual understanding of this study. This study aims to understand the process of social networks development during an entrepreneurial process. The literature review has been divided into four sections. The first section summarizes the concept of entrepreneurship, how has it been studied and the entrepreneurial process. The second section assesses the meanings of process and how it has been applied in the field of entrepreneurship. The third section assesses the literature related to process and social networks. The fourth section reviews the literature related to entrepreneurship and social networks. The final section integrates all the sections and summarizes the need for a theoretical construct that gives insight into the process of development of social network through studying the experience of the entrepreneur of becoming networked through entrepreneurial process. So my sensitising concepts for this study were, Entrepreneurship as process, Entrepreneurship and Social Networks, Defining

Process, Process and Social Networks. The next section will present the literature for each concept and what we know about them according to the recent research studies.

2.2 Entrepreneurship

The concept of “Entrepreneurship” is not a new concept (Stokes and Wilson, 2006); People have been using this term for hundreds of years. The word “Entrepreneur” is derived from the French word “entreprendre”, which means “to undertake something” (Swedberg 2000). At the beginning of 17th Century, an entrepreneur was viewed as ‘a person who takes risks’. The term was used by Richard Cantillon in 1734 while explaining types of agents in the economy; first the landowner who provided the primary resource as a proprietor of the land; second the entrepreneurs including farmers and merchants who organized the resources and bore the risk through “buying at a certain price and selling at an uncertain price” and third the hirelings who rented out their services (Stokes & Wilson 2006). Thus the concept has been derived from the Economics School (Schumpeter 1934; Kirzner 1973) but has been studied by other disciplines and explained different aspects of the phenomenon. The entrepreneurial behaviour cannot be explained by the economic theory alone (Campbell 1992).

The psychological, sociological and cultural factors also play an important role in understanding this concept which led towards an interdisciplinary approach of studying entrepreneurship. Anthropological theory of entrepreneurship explained it as an activity to find new opportunities and entrepreneurs as agents of change in the community through innovation (Barth 1967). Psychologists have presented the trait theory approach (Chell 2008) in defining the specific traits of the entrepreneur and how that influences the performance of the venture. The following table summarizes the different approaches to describe an entrepreneur (Cunningham & Lischeron 1991).

Table 8 - The different approaches to describe an entrepreneur

Entrepreneurial Model	Central Focus or Purpose	Assumption	Skills and Behaviour	Situation
Great Person School	Born with intuitive ability	'Inborn' intuition makes the entrepreneur different	Intuition, Vigour, energy, persistence and self esteem	Start-up
Psychological Characteristics School	Unique values, attitudes and needs that drive them	Values shape behaviour to satisfy needs	Personal values, risk taking, need for achievement, etc.	Start-up
Classical School	Focus on Innovation	Process of doing rather than owning	Innovation, creativity and discovery	Start-up and early growth
Management School	Organizers that own, manage and assume risk	Can develop and train	Production planning, people organizing, capitalization and budgeting	Early growth and maturity
Leadership School	Leaders that adapt their style to the needs of people	Cannot accomplish a goal on their own	Motivating, directing and leading	Early growth and maturity
Intrapreneurship School	Entrepreneurial skills used in complex organizations	Adaptation and Organization building	Alertness to opportunities and maximizing decisions	Maturity and change

Source: Cunningham & Lischeron (1991)

The Sociology School has also studied entrepreneurship and highlighted the importance of social capital, human capital and network relations in the entrepreneurial process such as access to information (Hoang and Antoncic, 2003), market information (Freeman 1999) and reputation or legitimacy (Shane & Cable 2002).

Until today, there is not one agreed upon definition of entrepreneurship. According to Shane and Venkataraman (2000) argued that "Entrepreneurship has become a broad label under which a hodgepodge of research is housed. What appears to constitute entrepreneurship research today is some aspect of the setting e.g. small businesses or new businesses, rather than a unique conceptual domain". Kirzner (1973) defined entrepreneurship as "the competitive behaviour that drive the market processes". This

definition focused on both the process of market change and the outcome of the entrepreneurship. Entrepreneurship as a mind-set or a way of thinking that opportunity focused, innovative and growth oriented (Allen 1989). Although Entrepreneurship is most commonly thought of in conjunction with starting a business, the entrepreneurial mind-set can be found within large corporation, in socially responsible non-profit organizations, and anywhere individuals and teams are desiring to differentiate themselves from the crowd and apply their passion and drive to executing business opportunities. The entrepreneurship is referred as “a process by which individuals pursue opportunities without regard to the resources they currently control”(Stevenson & Jarillo 1990). According to Wennekers and Thurik (1999) Entrepreneurship is the manifest ability and willingness of individuals either by themselves or in teams within or outside the existing organization in order:

- to perceive and create new economic opportunities such as new products, new production method, new organizational schemes and new product- market combinations; and
- to introduce their ideas in the market facing uncertainty and other obstacles through making decisions about the location, form and use of resources (Wennekers & Thurik 1999)

Entrepreneurship is also defined as “a process of creating something new of value by devoting the necessary time and effort, assuming the accompanying financial, psychic and social risks, and receiving the resulting rewards of monetary and personal satisfaction and independence” (Hisrich & Peters 2002). Timmons and Spinelli (2004) refer the term entrepreneurship as a way of thinking, reasoning and acting that is opportunity-based, leadership balanced and holistic in approach. According to them, the entrepreneurship results in creation, enhancement, realization and renewal of

value not only for the owners but for all the participants and stake holders (Timmons & Spinelli 2004). The above definitions of entrepreneurship indicate two broad perspectives on entrepreneurship (Stokes & Wilson 2006).

1. The first perspective considers how, by whom and with what effects the opportunities to produce goods and services are recognized, evaluated and exploited as shown in the definitions given by Timmons and Spinelli and Stevenson and Jarillo.
2. The second perspective focuses on the creation of new businesses and organizations as shown in the definition given by Hisrich and Peters.

The definition given by Wennekers and Thurik encompasses both these perspectives.

2.3 Entrepreneurial Process

Even though the concept of Entrepreneurship has been studied for a long time, it still lacks a theory about and a conceptual framework to understand entrepreneurial process (Scott & Venkateswaran 2000; Shane 2012). The entrepreneurship is a comprehensive concept that can only be understood by studying the entrepreneur as an individual along with the whole entrepreneurial process (Jack & Anderson 2002).

According to Gartner (1985) framework, there are four key areas that describe a new venture creation namely individual, organization, environment and process. He argues that his framework integrates all the dimensions and fields of entrepreneurship research that are required to understand the activities that result in Entrepreneurship: the creation of a new venture (Moroz & Hindle 2012). Following is the static framework presented by (Gartner 1985).

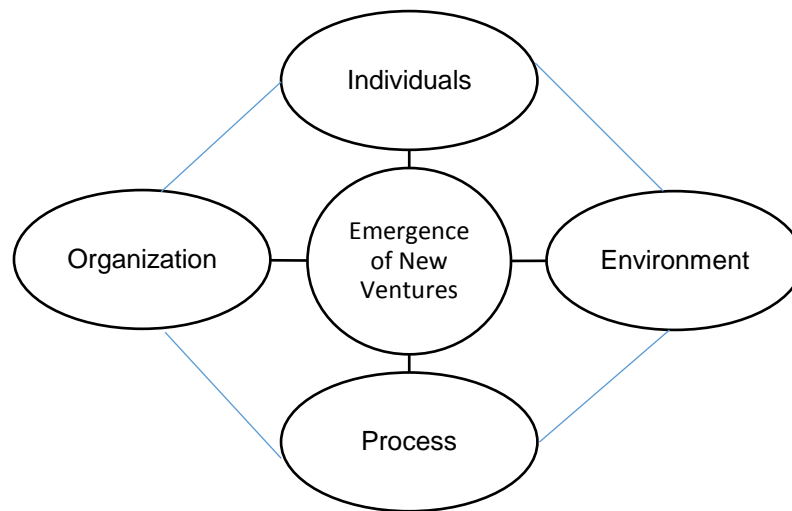


Figure 4 - The Static Framework presented by Gartner (1985)

The above model presented by Gartner (1985) encompasses all the related areas to describe the venture creation but fails to capture the dynamic nature of entrepreneurial process and how these elements interact with each other that result in the creation of new venture. But this framework is a useful tool in defining the elements that are involved in creating a new venture.

Another model of the entrepreneurial process was presented by Moore (1986). Moore (1986) presented a four stage model of entrepreneurial process that starts with a new idea, innovation followed by a triggering event that gives birth to the new organization. The organization goes through the growth stage after the triggering event. Along these phases, there are certain personal, sociological, organizational and environmental factors that influence these phases.

This model presents a simple but comprehensive depiction of the entrepreneurial process on a temporal scale reflecting linearity that constantly get influenced by personal, sociological, organizational and environmental factors.

The following figure is the illustration of that model (Moore 1986).

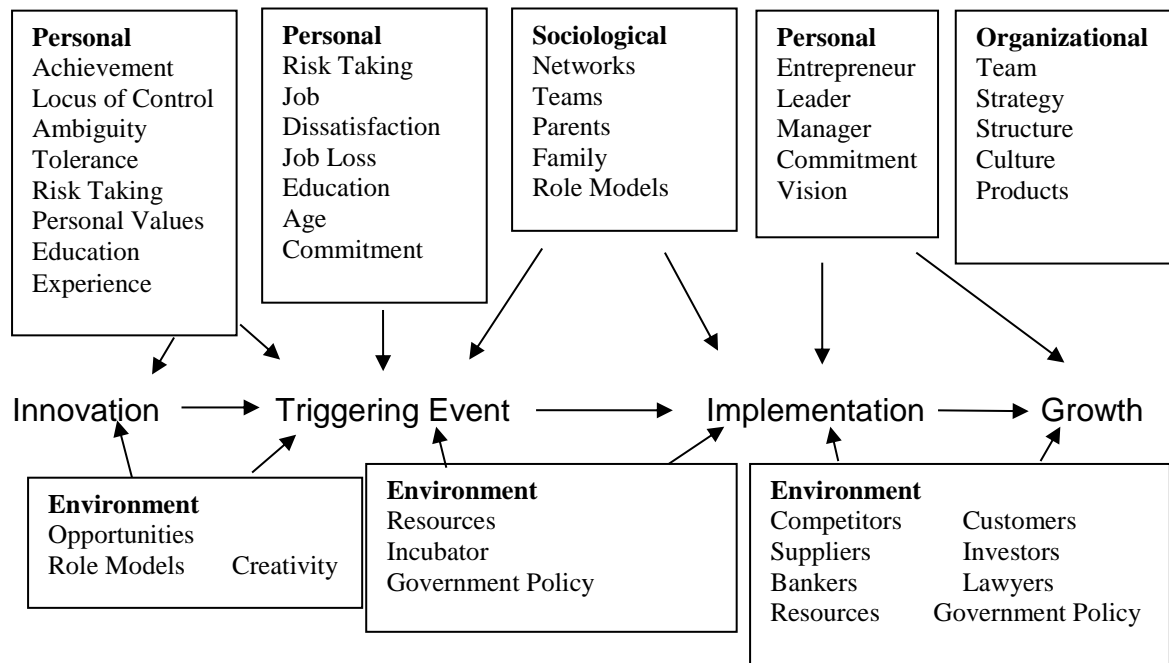


Figure 5- Four Stage Model of Entrepreneurial Process presented by Moore (1986)

The entrepreneurial process is defined as involving “all the functions, activities, and action associated with perceiving opportunities and creating organizations to pursue them” (Bygrave 2002). The entrepreneurial process consists of a number of interactive stages i.e. decision to start, opportunity recognition, opportunity chosen, opportunity refinement, business concept identified, commitment to venture creation, creation of organization, production technology and product development, sale, customer feedback and strategic decisions (Bhave 1993). The entrepreneurial process can be described as four distinct phases of namely, conception - the entire adult population, gestation - nascent entrepreneurs, infancy - new firms, and adolescence – established firms (Reynolds & White 1997). The entrepreneurial process include idea generation, idea screening, procuring necessary resources, proving the business model, rollout, maturity, renewal and growth, and decline (Brockner et al. 2004). The metaphors of

parenthood that includes phases of conception, gestation, infancy, toddlerhood, childhood, growth, and maturity can also be used to explain the entrepreneurial process (Cardon et al. 2005).

Steyaert (2007) presented a review of all the approaches taken to studying the process that have been adopted by the entrepreneurship researchers over the period of twenty years. The main approaches identified in the review were developmental, evolutionary, complexity theory and chaos theory, interpretive, phenomenological, narrative, discursive, dramaturgical, social constructionist, pragmatist, practice based, Actor Network Theory (ANT) approach and radical processual approach. In his view, the process theory of entrepreneurship which he calls 'entrepreneuring' has still not developed as a concept.

He argues that instead of 'one comprehensive' processual theory of entrepreneurship, the entrepreneurship researchers must consider 'several simultaneous and overlapping routes of theorizing the 'process''. Theorizing the process issues of Entrepreneurship as 'Entrepreneuring' might help in intensifying the conceptual and theoretical work in Entrepreneurship literature (Steyaert 2007).

There is a need for a harmonizing not unifying process view of entrepreneurship that gives insight into what goes on, what comes out and how the transformation takes place (Moroz & Hindle 2012). The above review shows that the meaning associated with the word "process" is key in explaining the approach taken to study entrepreneurial process. The next section summarizes the meaning of process and how it has been used in the entrepreneurship literature.

2.4 Meaning of Process

According to Van de Ven (1992), the term 'process' is defined in three different ways:

- a logic that explains a causal relationship between independent and dependent variables,
- a category of concepts or variables that refer to actions of individuals and organizations,
- a sequence of events that explains how things change overtime

The first definition of process does not observe the process directly instead the logic is used to explain a causal relationship. The study that identified three different patterns of network development through studying the effect of pre-founding and post-founding entrepreneurial processes on the development of ties and network (Elfring & Hulsink 2007) is an example of such logic. They found that these antecedents influence the tie formation and ultimately the development of the network. There are many other examples of studies that have used this logic (Hoang and Antoncic, 2003; Slotte-Kock and Coviello, 2010).

The second definition of process present by Van de Ven (1992) is process as a category of concepts of individual and organizational actions like communication frequency, workflows, decision making techniques etc. In this use of process meaning, the process concepts are operationalized as constructs and measured as fixed entities (variables), whose attributes can vary numerically from low to high. The panel study that examined the impact of network size on the performance at different points in time (Havnes & Senneseth 2001) use this process constructs in entities/attributes model of reality. They only show 'if' not 'how' a change occurred in the variable at different points in time (Van de Ven 1992).

In order to understand how the change occurs, the researchers have to use the third meaning 'process as developmental event sequence'. This meaning of process is least understood and describes how things change overtime or it represents the underlying cognitive transitions by an entity while dealing with an issue (Van de Van, 1992). The second meaning of process shows the changes in variable over time whereas the third definition takes a historical developmental perspective that focuses on the sequence of incidents, activities and stages that happen during the existence of the central subject.

Van de Ven and Poole (1995) presented four underlying theories of explanation in this meaning of process i.e. lifecycle theory to describe the linear and prescribed sequence of events; teleological approach arguing that the end goal is obtained through adaptive approach and co-operation; dialectic view that argues for the discontinuous sequence of events that is driven by the conflicts and resolves itself by balancing power; the last view is the evolution based view that suggests change is influenced by environment with continuous cycles of variation, selection and retention.

Even though these theories have been distinguished but it is argued that these theories can be combined (Van de Ven & Poole 1995). For example Greiner (1972) model of organizational development reflects the combination of life cycle and dialectic theories of process (Slotte-Kock and Coviello, 2010).

The following table shows the studies and the meanings of process used in these studies.

Table 9 - Review of Studies and the meanings of process adapted from Slotte-Kock and Coviello (2010)

Authors	Process as a logic to explain causation	Process as a category of concepts to be measure for change	Process as a developmental sequence underpinned by
(Butler & Hansen 1991)	✓		○ Lifecycle
(Donckels & Lambrecht 1995)	✓		
(Littunen 2000)	✓	○	○ Lifecycle
(Havnes & Senneseth 2001)	✓	○	
(Jack & Anderson 2002)	✓		○ Lifecycle
Lechner and Dowling (2003)	✓		○ Lifecycle ○ Evolution
(Jack & Drakopoulou Dodd, S Anderson 2004)	✓		○ Lifecycle
Jack (2005)	✓		○ Teleology
Lechner and Dowling & Welp (2006)	✓	○	
Watson (2007)	✓	○	
Birley (1985)	✓		
Zimmer and Aldrich (1987)	✓		
Greve (1995)	✓		○ Lifecycle
Hansen (1995)	✓		○ Lifecycle
Zhao and Aram (1995)	✓		○ Lifecycle
Uzzi (1996)	✓		○ Lifecycle
(Human & Provan 1997)	✓		
Uzzi (1997)	✓		
Bruderl and Preisendorfer (1998)	✓		

Baum, Calabrese & Silverman (2000)	✓		
Davidsson and Honig (2003)	✓	○	○ Lifecycle
Lorenzoni and Ornati (1988)		○	○ Lifecycle
Larson (1991)			○ Lifecycle, ✓ Teleology
Steier and Greenwood (2000)			✓ Evolution
Greve and Salaff (2003)		✓	○ Lifecycle
Schutjens and Stam (2003)		✓	• Teleology
Hite (2005)		✓	• Teleology • Evolution
Hara and Kanai (1994)			✓ Teleology • Dialectic

- ✓ Primary meaning attached to process
- Context or framework within which study is conducted and results presented
- Concluding view (model or argument) regarding process

The above table shows that most of the studies in Entrepreneurship literature have adopted a single or a combination of two process views.

2.5 Entrepreneurship and Social Networks

Entrepreneurship is socioeconomic process and it has been studied by sociologists through studying the networks of the entrepreneurs and the impact it has on their entrepreneurial ventures. Networks play a 'catalytic' role in organizational emergence (Birley 1985). The entrepreneurship is viewed 'as embedded in network of social relations' (Aldrich & Zimmer 1986). Social networks play an important role in the development of entrepreneur's ability to recognize opportunity in the environment and growth potential (Anderson & Miller 2003). According to Jack and Anderson (2002) entrepreneurship is an embedded socio economic process that creates opportunities for the entrepreneur and facilitates the recognition and realization of the opportunity.

Anderson and Miller (2003) asserted that the social background like family has significant role in building social capital for an entrepreneur. The results from their study suggested that the nature and extent of the entrepreneur's social capital influences his/her ability of recognizing opportunities in the environment and potential for profitability and growth. Through analysing the work by Coleman (1988), Anderson and Miller (2003) explained the ways in which the social capital facilitates the creation of human capital. Human capital is created by changes in individuals that facilitate building up new skills and abilities that enable them to act in new ways. Social capital is also an intangible asset, embodied in the structure of relations between actors and among actors and it originates from the changes among relations between the actors (Coleman, 1988 cited in Anderson and Miller, 2003). The network processes allow the entrepreneurs to perceive, navigate, enact and even co-create the environment (Nohria & Gulati 1994).

Entrepreneurship has embraced the study of networks and the social networking as a mechanism to explore creation and development of new ventures (Dodd & Patra 2002). Entrepreneurial networks can be defined as 'the sum total of relationships in which an entrepreneur participates, and which provide an important resource for his, her activities.' These relationships may be with formal organizations or the links an entrepreneur develops with suppliers, distributors and customers or social contacts like friends, acquaintances, family and kin (Dodd and Patra, 2002). Entrepreneurship is related to the social context on two levels i.e. as an individual the entrepreneur is influenced by his or her social environment and entrepreneurship as social activity involves customers and suppliers that make an economic network for the entrepreneur (Anderson and Miller, 2003). The social context not only affects the entrepreneur but as the economic action is also socially embedded, the social network and relations

can also influence the economic performance and ultimately the entrepreneurial outcomes (Granovetter 1992; Jack & Anderson 2002).

The study of networks is derived from the sociology literature. Social networks are defined as a set of actors; individuals and organizations, and linkages between them (Brass, 1992 cited in Hoang and Antoncic, 2003). It is difficult to find when the term “social network” was used for the first time (Jack & Rose 2010). The theoretical origin of the network research is linked to three broad school of thoughts i.e. sociology, anthropology and role theory. The social network approach was adopted to increase the understanding of the human behaviour that was not insightful through the traditional structural approach (Boissevain and Mitchell, 1973 cited in Jack and Rose, 2010).

Social Network Theory has been used to demonstrate the nature and effect of interaction and exchange of content that takes place between the individuals (Harland 1995). A network contains a set of objects (in mathematical terms ‘nodes’) and a mapping or description of relations between the objects or nodes (Swedberg 2000).

Social scientists have investigated three kinds of networks:

- Ego-centric: the networks that are connected to a single node or individual e.g., all my friends or all the companies doing business with an organization
- Socio-centric: networks in a box e.g., connections between workers of an organization are closed networks that are most studied in network structure. Moreno started his work on them.
- Open Systems: networks in which the boundaries are not necessarily clear as they are not in a box e.g., connections between corporations, the chain of influencers of a particular decision

The field of Entrepreneurship has attracted large number of research work focusing on networks and social relations recently (Jack and Rose, 2010). The recent interest in social networks can be explained by the shift of entrepreneurship scholars from studying the entrepreneur in isolation, realizing the potential of insights into embeddedness of the entrepreneurs in its social environment and its consequent effects on the entrepreneurship phenomenon (Hoang and Antoncic, 2003). Although this interest in social networks related to entrepreneurship is new, but the network approach in organizational study can be traced back to 1930's or at least in the field of sociology and anthropology since 1950's (Nohria 1992).

This recent interest in networks has led to various review articles being published in order to organize the areas that have already been studied and refining the approaches taken so far. The most important review articles are by Hoang and Antoncic (2003), Jack et al., (2008), Jack and Rose (2010) and Slotte-Kock and Coviello (2010). These review articles provide the main themes that have been studied in this subject area focusing on need for more studies on network development process. Hoang and Antoncic (2003) presented a critical review of the research done in entrepreneurship through the use of networks. Through reviewing the articles published in the last 15 years, they divided the network research in Entrepreneurship literature into two categories: first where network is an *independent variable* in which we try to understand how the network affects the entrepreneurial process and second where network is studies as a dependent variable in which the effect of entrepreneurial process on network development is studied.

Hoang and Antoncic (2003) asserted that the research of the networks done in the entrepreneurship literature can be characterized by content of network relationships such as emotional support for risk taking (Bruderl & Preisendörfer 1998), governance

of the network relationships such as trust among partners in a network that enhances the quality of resources flow (Larson 1992) and structure of the ties in the network such as size defined as the direct links between the focal actor and other actors in the network. The following diagram summarizes the review presented by Hoang and Antoncic (2003).

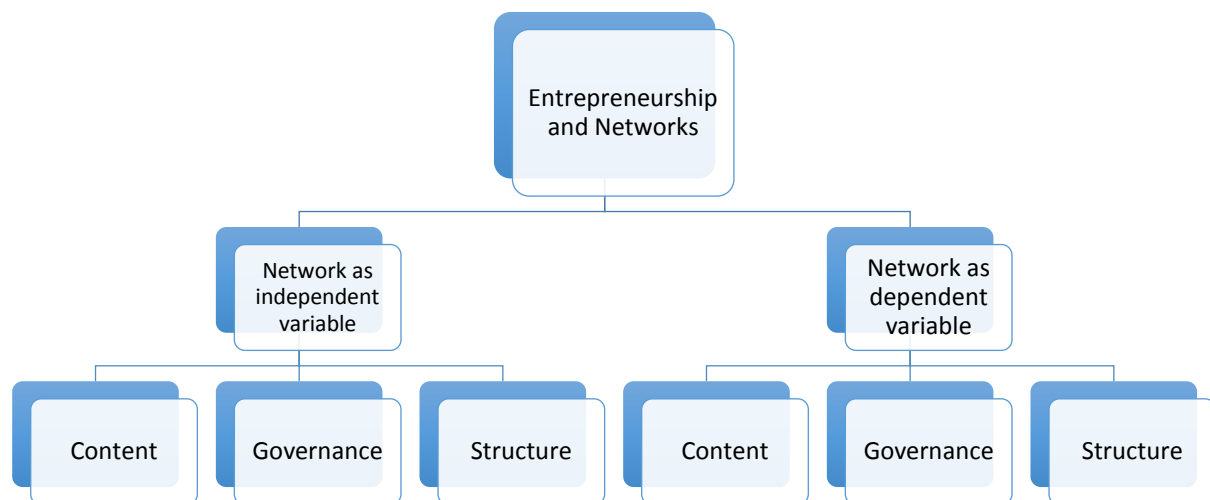


Figure 6 - The review of process research presented by Hoang and Antoncic (2003)

As a dependent variable, the research is focused on the process oriented network research that studies the development of networks over the venture formation process. The paper reviewed the three stage model of network development by Larson and Starr (1993) and highlighted the issue of understanding process and need of research in extending our knowledge of process. Larson and Starr 1993 presented a three stage developmental sequence for the networks that develop for the new venture. Each stage has its own distinctive content and governance mechanisms.

- In the first stage, the key activity is to identify the contacts that will provide important resources to start the venture especially the ties with family, friends and existing business contacts. During this stage, new

contacts are built and the existing contacts are tapped for the venture. The entrepreneurs spend significant amount of time in making new contacts and maintaining the existing ones (Aldrich & Reese 1993).

- In second stage, exchange relationships become more multiplex with relationships that began for helpful reasons becoming filled with social or affective component and ties that were strictly instrumental becoming leveraged for the economic purposes. The governance relationships change from the equal gains from an exchange to trust and concern about maintaining one's reputation.
- In third stage, the network content of the relationships gain further complexity and there is an exchange of high quality information between partners. The ties are formed due to resources requirements of the venture and the continuous interaction with actors become routinized. Ties can be characterized as inter-organizational relationships when direct involvement of the individuals that played a role in their formation is no longer required for the relationship to be sustained.

The main issues or aspects of the process highlighted included role that the network contacts play in shaping the very nature of the opportunity that is being pursued by the entrepreneur. The model by Larson and Starr assumes that the entrepreneur starts to look for the network contacts after the decision to start the venture has already being done. The studies which indicate the use of contacts for information and initial idea of the opportunity are cross sectional and their potential weakness is the recall bias. They also asserted that the network process development during the early venture formation stage may be related to the characteristics of the entrepreneur including his education level and work experience. So other aspect of studying the process could be the

differences in the individuals in the extent to which the network resources are leveraged. Another aspect of network process is the formation of business plan. According to Hoang and Antoncic (2003), without the business plan as a focusing device, the resource search process appears to be characterized by trial and error. They also asserted that the moderating role of individual's network cognition in the organizing process would be a fruitful avenue for extending the network development model. They called for the use of more qualitative and inductive research that will stimulate the further work by introducing new theoretical ideas. They also supported the use of multi-method studies that combine the strengths of different methods in the series of projects that build on one another.

Jack et al., (2008) provided a comprehensive list of research and conceptualizations done in the field of development of networks throughout the entrepreneurial process. They asserted that the functional aspects of the networks i.e. what they do, how they are used and their general utility is well documented. They identified a gap in the literature about the less knowledge of the dynamic aspects of the network processes in a temporal framework- how and why entrepreneurial networks change and develop over time. The following table shows the key studies conducted to study the process of social network development along the entrepreneurial process.

Table 10 - Process Studies in Entrepreneurship Literature adapted from (Jack et al. 2008)

Author	Purpose	Attention to Process	Method
Larson (1992)	Examine the social control in network organizational forms	The developmental processes that show the common evolutionary patterns among alliances were investigated	Exploratory Ethnographic Study

Larson and Starr (1993)	Present network model of organization formation and builds on the theories of social and socio-economic exchange	The entrepreneurial activity shows three networks – social, business and strategic – to be combined at the outset and throughout the organizational formation process	A three stage model was presented for further investigation
(Hansen 1995)	Study the effects of pre-founding social structures on the subsequent first year new organization growth rates	Entrepreneurial action set structure and process affects the growth rate at the initial stage	Pilot mail questionnaire followed by structured interviews
Johannisson (1998)	Study the commercialization of high technology and professional knowledge organized by the individuals and firms within networks.	The knowledge based entrepreneurs and traditional entrepreneurs differ in their networking but the difference declines with time. Personal network changes slowly and acts as a reservoir where social and business ties are established according to need of the venturing process	Mail Survey
Hill et al., (1999)	Study the marketing networks of entrepreneurs	Need for further understanding of process is required in order to understand more about the marketing practices of the small firms from the network perspective	In depth interviews
Minguzzi and Passaro (2000)	Study the cultural evolution processes of the small firms.	The entrepreneurial culture and learning process are interdependent and provides reciprocal reinforcement that allows firm to achieve its cognitive and competitive potential	interview/mail questionnaire
Hite and Hesterly (2001)	Proposed that the networks of the firm	evolution of firm's network during	Propositions presented for testing

	move away from identity based in the emergence stage to more calculative ties in the early growth stage.	emergence and early growth	
Schutjens and Stam (2003)	Study the evolution of networks during first 3 years of the start-up and offered explanation of the nature of these networks including temporal changes and spatial variation. They specified the relationships by type, number, source and location.	Firm is an open system interacting with others in its environment so way in which firms co-evolve in networks and broader environment which create and respond to demand as they emerge and grow is important.	Questionnaire (longitudinal)
Greve and Salaff (2003)	Study how entrepreneurs access people in their networks to discuss aspects of establishing and running a business at different developmental stages	Social relations were used in business establishment process	cross sectional survey
(Lechner & Dowling 2003)	Study the ego-centric networks of high growth entrepreneurial firms and explored how these firms grow through use of external relations.	Focuses on different firms at different levels of development and analyses growth process of entrepreneurial firms through inter firm networks.	Case Study
(Hite 2003)	Proposed that the relationally embedded ties influence economic decisions of emerging firms evolve over time.	Entrepreneurs may better manage evolution if they are aware of processes involved. There are various processes through which ties may evolve from one type of relational embeddedness to another.	case study

		So in terms of processes, how do social components of relational embeddedness facilitate evolution?	
Drakopoulou Dodd, Jack and Anderson (2006)	Proposed that the networked entrepreneur is agent catalyst for and of change within the wider business environment.	Learning is a social process so the research gap lies in relating networks as social context to the entrepreneurial learning process.	Quantitative survey by telephone and longitudinal qualitative cases.

Jack et al., (2008) presented a longitudinal study of the development of the networks over the time of 6 years. Through the use of longitudinal qualitative approach and analysing the network processes, structures and exchange content they found that the Life cycle model describes key actions, interactions and processes well but the innate linear implications do not adequately explain radical change within the entrepreneurial firms, their customer base and the surrounding sector. There is a need to use the teleological motor and the explanation it provides of shared purposive radical change, achieved through emergent and creative processes. In order to make sense of the environment as it is constructed and enacted by the entrepreneurs, a co-evolutionary perspective is especially helpful. They suggested that rather than competing schools, we have a good reason to be moving towards a hybrid theory of entrepreneurial networking. They recommended that a constructionist way of thinking might be helpful for developing such a hybrid theory of networks because it allows to appreciate, recognize and begin to understand how entrepreneurs use networks and the ties of which they are composed to make a sense of the world they live and operate in but also to enact the environment and in effect through networking activity make that environment work effectively and efficiently for them thus supporting the growth and development of the venture. The main findings of their study are as follows:

- Identity based development of a wide range of pre-tested potential strong ties
- Co-creating broad visions of the future and specific innovations within the network
- The propensity of the entrepreneurs not to cut the ties, but rather to transfer them to colleagues and the practice of bringing strong ties inside the organization through advisory, managerial or directorial positions.
- Development, maintenance and deployment of calculative and identity-based ties are not conflicting or sequential or alternative forces. Rather they are intertwined mutually dependent processes and occur largely simultaneously.
- This finding is not inconsequential since they help in solving the puzzle of strengthening ties to develop identity based like relationships which empirically seem to support entrepreneurial growth rather than constraining it by building in structural inertia and limited structural-hole bridging. They are complementary and simultaneous.
- They proposed that the balance between these two aspects of network processes may differ in different contexts like internationally, regionally or by sector that opens new area for research.
- This study revealed reasonable stability and consistency in patterns of network development which indicate the staged life cycle models provide good explanations of much of the practices involved.
- Path dependency is present though especially in terms of the purpose (teleology) as expressed by entrepreneurial positioning within specific networks and the very strong impact of personal affinity with potential and actual alters.

- The macro-environment does not appear to impact dramatically upon these processes even within very vulnerable and turbulent oil industry.
- This study revealed that collaboration and co-operation are far more prevalent than conflict, probably because network relationships are so strongly founded on affection, friendship and a shared mind-set.

Slotte-Kock and Coviello (2010) presented an extension of the review done by Hoang and Antoncic (2003) by reviewing the articles on the basis of their approach of studying network process. They emphasized on the need of conceptualizing the 'process' in network research. They presented a comparison of three perspectives of network research i.e. Entrepreneurial Network research, Social Network Research and Business Network research. The Social Network (SN) perspective has its foundation in the arguments presented by Simmel (1955). Rather than considering change as a disturbance of a naturally stable structure called Society, the stability of a society is a temporary balance of interactions between network actors (Simmel 1955). Within this perspective, the network structure is studied with mathematical models of change (Kilduff & Tsai 2003). Theoretically, importance of a cohesive network (Coleman 1988), concept of structural holes (Burt 1992) and discussion about strong and weak ties (Granovetter 1973) are all part of the SN literature. There has been great discussion on the concept of embeddedness in SN literature (Granovetter 1985; Uzzi 1997). SN literature uses the two Van de Ven's (1992) meanings of process i.e. the change in variable overtime and logic to show causation (Slotte-Kock and Coviello, 2010). The SN view to study networks focuses on the identification and measurement of tie and network characteristics to understand the effect of structural change. The studies based on network of individuals like Granovetter's (1995) study of impact of social ties in job seeking are also in the SN literature. The SN literature studies usually

consider only one actor in the network and is cross-sectional rather than longitudinal. According to Slotte-Kock and Coviello (2010) review, the Business Network (BN) view of network research studies both actors in the dyad and look into how and why the relationships change overtime. The BN research are case based and interpretivist in nature. In terms of meaning of process, the BN researchers view process as development but not sequential like life cycle theory but rather a combination of Teleology, Dialectic and Evolutionary meanings of process (Slotte-Kock and Coviello, 2010).

The following table shows the comparison of these approaches. Slotte-Kock and Coviello (2010) argue that there are eight research dimensions that have been studied in these approaches. In terms of primary level of analysis, the Entrepreneurial network literature focuses on the dyads of the focal firm or the firm's ego-network. The SN literature on the other hand studies the whole network and occasionally the dyads to see any addition has influenced the network or not. The BN research focuses on dyadic interaction like inter-organizational relationships in a broader network. As far as the networks type is concerned, the entrepreneurial network and social network research both consider the networks in defined borders whereas business networks consider the inter-organizational networks borderless.

According to entrepreneurial network literature, the network development is controlled by the focal firm or the entrepreneur (Weick 1979). The social network literature view that the change in the network is driven by the context rather than the entrepreneur (Aldrich 1999) and sees the network formation as calculative. According to the business network literature, the entrepreneur is engaged in purposeful action and externally controlled (Johannisson 1988). So the business network researchers study the managing *in* the network rather than managing *of* the network. The following table

shows the comparison of these three perspectives of network research adapted from Slotte-Kock and Coviello (2010). Based on their comparison, Slotte-Kock and Coviello (2010) suggested to apply multiple theoretical perspectives regarding process, integrate social and business network approaches to study both the macro and micro level of dyadic interaction and rather than looking at the network as a dependent or an independent variable, consider it as a 'developmental outcome'.

Table 11 - Comparing the three perspectives of network research: Originally presented in (Slotte-Kock and Coviello 2010, Table 3)

Research dimension	Entrepreneurial network research	Social network research	Business network research
Primary level of analysis	Focuses on either dyads of focal firm or the firm's ego-network Increasing recognition of the interface between the dyad and the network.	Studies patterns of whole networks of individuals or organizations, occasionally including dyads.	Focuses on dyadic interaction (specific inter-organizational relationships within the broader network) but argues it is possible and necessary to understand the mutuality of tie and network development.

Network type	Considers individual entrepreneur or firm networks with defined borders. Often studies advice or discussion networks.	Considers individual, intra- and inter-organizational networks; defined borders.	Considers inter-organizational networks based on dyadic ties (both formal and informal); borderless.
Network management	Generally argues the network must (and can) be understood and managed.	Considers tie and network formation as calculative, thus assuming some ability to intentionally manage the network within the constraints of the environment.	Considers networks as non-hierarchal multiplex adaptive systems, where actors are simultaneously involved in on-going network management.
Endogenous and exogenous influences	The entrepreneur and firm are positioned as central to decision-making (as primary endogenous influences) although influenced by numerous external factors.	Exogenous influences or external intervention can impact network structure but actors seek to form a beneficial network.	Distinguishes between three levels where the network is exogenous to the entrepreneur or firm and the enacted context is exogenous to the network. Endogenous

			influences occur at the level of the firm and network, and are always present.
Tie characteristics	Emphasizes mostly tie content (social vs. economic) and tie strength. Some appreciation of other characteristics, e.g., tie usefulness, durability, direction and dormancy.	Emphasizes tie existence and tie strength. Distinguishes between social and economic ties.	Considers multiplex characteristics: tie content, tie intensity, tie reciprocity, positive and negative ties, tie duration, sleeping ties.
Network and tie change	Provides descriptions of tie and network change but little assessment of how and why this occurs.	Assesses how the addition or deletion of ties impacts network structure.	Follows relationship development to understand change within relationships as well as across relationships and the impact of change on the wider network.

Assessment of tie or network influence on performance	Provides some understanding of the impact of the network on performance and offers some understanding of which types of tie matter when.	Assesses network structure for efficiency, with insight on how the network impacts firm growth and other outcomes.	Appraises positive and negative aspects of ties with regards to firm and network development. Longer-term ties considered essential and efficient for the firm and stabilizing for the network.
Primary view of process	Studies tend to assess causation and change in variables, although the results are mostly placed in the context of a predictive sequence of stages often reflecting life cycle theory.	Process is seen as a way to explain variance in the structure of networks over time, through causal influence of in- and output variables.	Process is viewed primarily as a developmental event sequence underpinned by teleological, dialectic, and evolutionary theory.

Slotte-Kock and Caviello (2010) presented a conceptual depiction of the development of network by integrating all the views of the process and using two units of analysis: the networks and the firm itself. The model addresses three questions:

- What develops?
- How and why does the network develop?

- And what Occurs over time?

The following figure shows the model presented by Slotte-Kock and Coviello (2010).

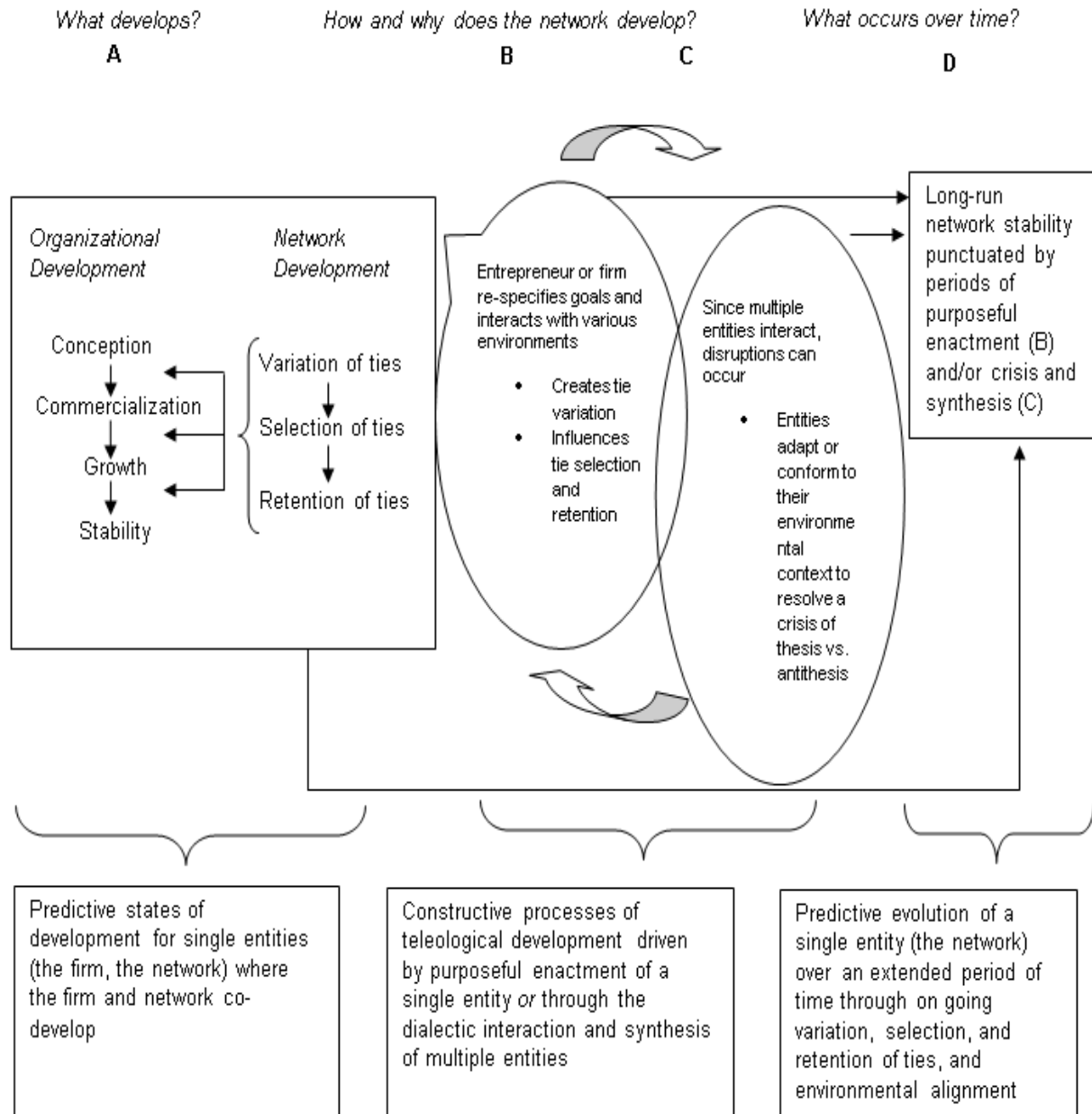


Figure 7 - Conceptualizing Network Development adapted from Slotte-Kock and Coviello (2010)

The theoretical argument by Slotte- Kock and Coviello (2010) of presenting a network as a developmental outcome of a new venture's entrepreneurial process has been divided in three parts.

Part 1 is what develops - It integrates the arguments presented by Larson and Starr (1993) with Hite and Hesterly (2001). The firm and the network co-develop (like Hite and Hesterly). The firm follows the pattern of life cycle theory whereas the network follows the V-S-R (Variation, Selection and Retention) of ties with the growth of the firm. Slotte-Kock and Coviello (2010) present them as states giving a possibility of progression as well as regression.

The next section asks the question how and why does the network develop - The activities in this part are influenced by the purposeful actions and interactions of the entrepreneur with the environment (Hite 2005; Larson 1992). It also reflects the constructive process of teleology. During the development of firm, there would be many interaction with multiple entities like two dyads in a network or the network with the environment. As time passes, the network members will come and go (Greve & Salaff 2003) and may cause dialectic opposition between thesis (current path) and antithesis (new entrant) that can result in synthesis (Slotte-Kock & Coviello, 2010). The network will also adjust to the cultural and social context. The part B and C of the model extend the understanding from part A of what develops by using the dialectic and teleological perspective of 'how and why does that develop'.

The third and final section of the model asks 'what occurs over time' that uses the evolutionary perspective. As the time passes, the variation, selection and retention cycle continues and immediate influence is driven by the life cycle theory but teleological motor of adapting and dialectic motor of interaction and synthesis. With

this model, Slotte-Kock and Coviello (2010) argue that network changes occur over space and time for a new venture and no single motor offers a complete understanding of the process (Van de Ven, 1995). They therefore included multiple motors and levels of analysis. They propose to use this conceptualization as a 'means to an end' and suggest more focused models can be developed under the umbrella of the general conceptualization. This conceptualization can be used in separate components answering the questions like how patterns of tie variation, selection and retention change through the stage of network and new venture co-development.

2.6 Summary and Research Focus

I mentioned in the first part of the chapter Charmaz's sensitising concepts as the 'points of departure'. The previous section gives insight into the research dimensions in the literature related to entrepreneurship, entrepreneurial process, meanings of process and networks in the entrepreneurship literature. The first part of the literature review provided various definitions of entrepreneurship that covers two broad perspective: a creations of a new venture and by whom that venture is created i.e. the entrepreneur (Stokes and Wilson, 2006). The early studies have been focusing on the entrepreneur alone but the focus was shifted towards understanding the process of entrepreneurship. There have been many studies and entrepreneurial process models being presented by Gartner (1985), Moore (1986), Bygrave (2004), Bhavé (1994) and Reynolds and White (1997). According to Steyeart (2007), there is still a need for process theory of entrepreneurship that should be simultaneous and overlapping routes to theorizing process. He proposed the term 'entrepreneurship' as a way forward. He summarized the process approaches taken in the last 20 years as developmental, evolutionary, complexity theory, interpretive, phenomenological, narrative, dramaturgical, discursive, social constructionist, pragmatist, practice based, Actor

network theory approach and radical processual approach. He takes the concept of 'entrepreneurship' as a travelling concept and has a potential for theorizing process in the entrepreneurship literature. Entrepreneurship is already beginning to follow the logic of recursivity as in actor-network approach and social constructionist approach of studying the process of entrepreneurship. He recommended that the researchers can explore the conceptual possibilities and theorize process through enactment, disclosure, narration, social practice and assemblage. The social constructionist view of studying entrepreneurship is based on story telling through which the actors and networks continuously become connected and disconnected (Steyaert 2007). The narrative approach enhances the contextual and embedded understanding of entrepreneurship (Steyaert 1997).

This research study is taking the conceptualization of Slotte-Kock and Coviello (2010) as the point of departure and taking a social constructionist approach to the entrepreneurial process. This means that through the story telling and narrative approach, the process of entrepreneurship will be conceptualized through the social constructions of the entrepreneurs. My argument is that instead of assuming the entrepreneurial process as the linear sequential process it should be conceptualized along with the network development. Using the argument presented by Slotte-Kock and Coviello (2010) that entrepreneurs are involved in managing in the network rather than management of the network. The model inherently assumes that essence of entrepreneurship is the entrepreneur (Bygrave 1993) so while allowing the influence of the environment, the change can be made by the conscious intent (Weick, 1979).

The Butler and Hansen's (1991) study of social networks of entrepreneurs theorized the networks as evolving from an idea generating stage to business development and then to strategic stage. Through using the life cycle theory, they argue that the social

network at the entrepreneurial phase is vital in recognizing opportunities but as the process of business formation takes place, the social networks evolve to business focused network. The business network is a hybrid of business and personal contacts. Once the business network is stable, the strategic network is developed. At this stage the entrepreneur is more interested in growth and profit as the firm is already established. Following figure shows the model of entrepreneurial network evolution.

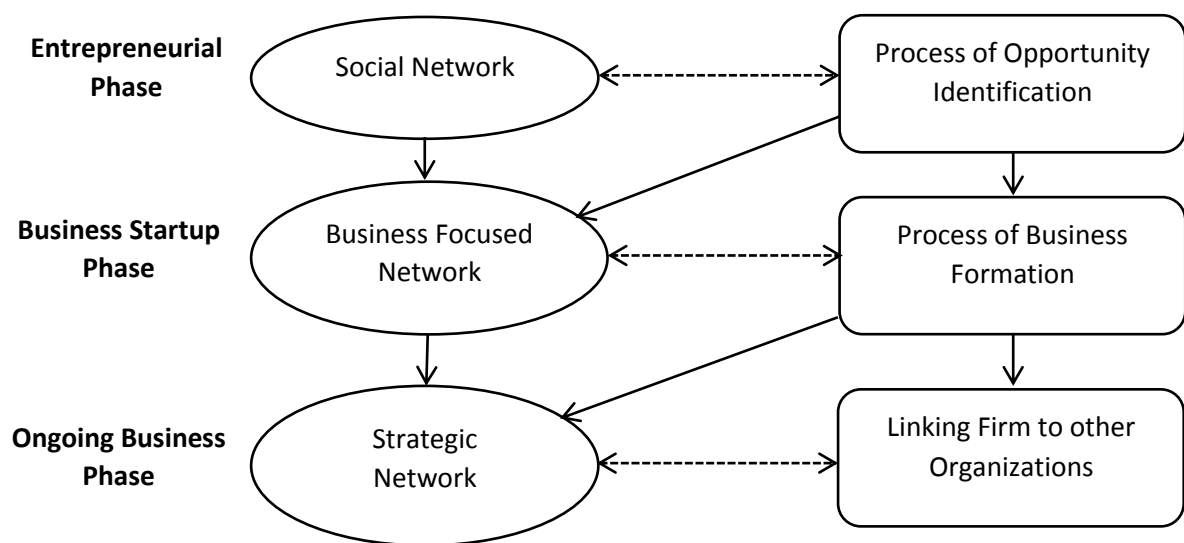


Figure 8 – Model of entrepreneurial network evolution by Butler and Hansen (1991)

Jack et al., (2004) presented the strong tie continuum that shows the three strongest ties in the entrepreneurial networks are the family, business contacts and competitors, customers & Suppliers that provide different information and support to the entrepreneur. The family provides hand on support and emotional support whereas business contacts provide information about people. The supplier, competitors and customers node give new product ideas etc. The following diagram shows the three

tie nodes of an entrepreneurial network that provide different advantages to the entrepreneur.

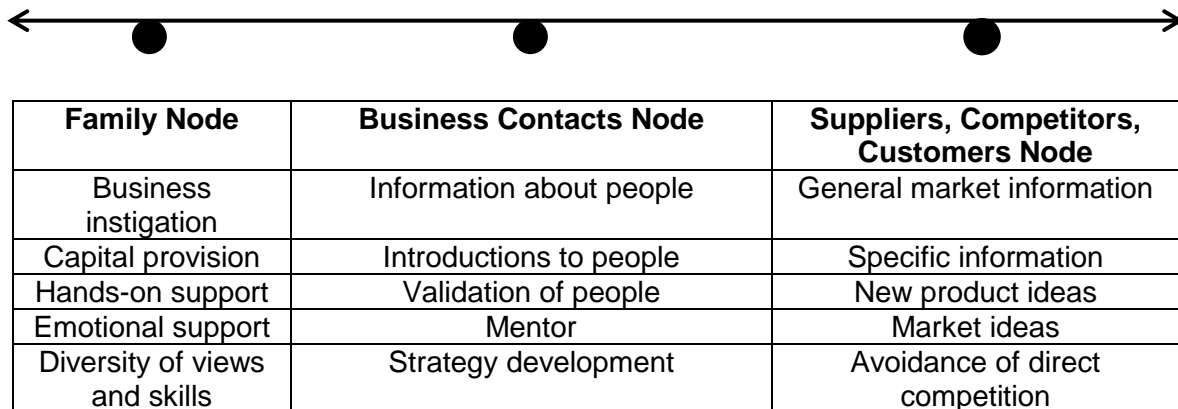


Figure 9 – The Strong Tie Continuum – Nodal Outcomes from Jack et al., (2004)

Extending the understanding of Granovetter's (1973) strong and weak tie concept, Jack et al., explored the characteristics, nature and content of strong ties. They presented the continuum of strong ties in terms of trust, integrity and honesty. The following figure summarizes their findings.

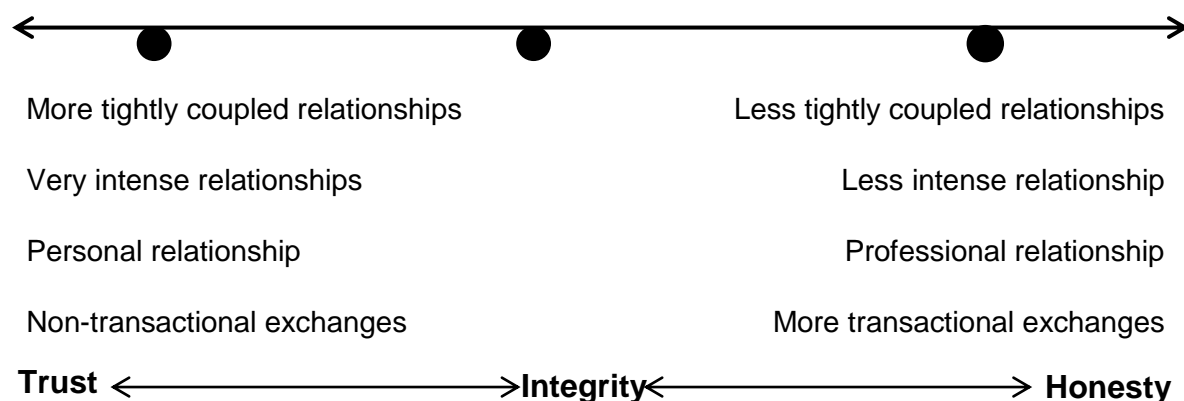


Figure 10 – Relationship characteristics of strong tie continuum from Jack et al., (2004)

The relationship characteristics of strong tie continuum shows that the family node relationships are based on trust and are personal in nature. On the other hand, the

customer node are professional relationship based on honesty. The business contacts lie in the middle based on integrity.

The above frameworks presented by Butler and Hansen (1991) of network evolution and the strength of tie continuum by Jack et al, (2004) can be integrated in the conceptualization presented by Slotte-Kock and Coviello (2010). Along with the V-S-R cycle in what develops section, the evolution of network from personal social network to business and then strategic business networks can integrated to present a coherent picture of the network development of social networks along the entrepreneurial process. The V-S-R cycle can be applied all the types of networks namely social network, business network and strategic network. The strength continuum presented by Jack et al., (2004) can be integrated in the how and why it develops section as the entrepreneur is in the constant state of adapting, the strength continuum will present an opportunity to see how the ties contribute to the entrepreneur in growing his venture.

This chapter has highlighted the key literature in the field of entrepreneurship and study of social networks. The concept of entrepreneurship, the process models of entrepreneurship, process views and social networks have been reviewed in this chapter. The reviews by Hoang and Antoncic (2003) and Slotte-Kock and Coviello (2010) highlighted towards a need to study the process of network development and proposed to study network as a developmental outcome. This literature review has highlighted a need to study network in an integrated approach and also presented an extension of the conceptualization presented by Slotte-Kock and Coviello (2010).

The following chapter explain the methodological approach adopted for this research study.

Chapter 3: Methodology and Research Design

The choice of research methodology should be in line with the nature of the research problem, 'That is, what one wants to learn determines how one should go about learning it' (Trauth 2001).

3.1 Introduction

A research is an integrated process that includes the researcher, his/her beliefs, experiences, the interaction with the participants involved in the study, the implementation of the chosen methodology, the understanding that what is discovered is one perspective and reflection of the whole process (Goulding 2002).

This chapter provides the details of the research approach taken by the researcher in order to study the development of social networks during an entrepreneurial process in the cultural context of Pakistan. The big research question: “how do social networks develop in an entrepreneurial setting in an eastern culture(Pakistan)” has a broad focus that is consistent with the qualitative mode of inquiry and gives the researcher the necessary open place to discover various issues and concepts that emerge while investigating the studied phenomenon in a specific context. The decision of selecting an approach towards a research study requires the Researcher to be clear on the philosophical assumptions taken in that study (Creswell 2014).

Researchers conduct their research within a scientific paradigm i.e. ‘a basic belief system or world view that guides the researcher’ (Denzin & Lincoln 1994). The beliefs of each paradigm can be summarized through three basic questions; Ontology, Epistemology and Methodology (Guba & Lincoln 1994; Perry et al. 1999). The ontology refers to the ‘nature of reality’ and what is there to be known about it, epistemology is the relations between the reality and the researcher whereas methodology is the technique used by the researcher to discover that reality (Perry et

al. 1997). The following table shows the four basic scientific paradigms and the ontological and epistemological stances in each set of beliefs.

Table 12 - The basic Scientific Paradigms: Ontological and Epistemological Stances

	Paradigm			
Item	Positivism	Realism	Critical Theory	Constructivism
Ontology	Naïve realism: reality is real and apprehensible	Critical realism: reality is “real” but only imperfectly and probabilistically apprehensible and so triangulation from many sources is required to try to know it	Historical Realism: “Virtual” reality shaped by social, economic, ethnic, political, cultural and gender values crystallized over time	Critical Relativism: multiple local and specific “constructed” realities
Epistemology	Objectivist: findings true	Modified objectivist: findings probably true	Subjectivist: Value mediated findings	Subjectivist: created findings
Methodology	Experiments/ survey: verification of the hypothesis: chiefly quantitative methods	Case studies/ convergent interviewing: triangulation, interpretation of research issues by qualitative and quantitative methods such as structural equation modelling	Dialogic/dialectical: researcher is “transformative intellectual” who changes the social world within which the participants live	Hermeneutical/ dialectical: researcher is “passionate participant” within the world being investigated

Source: Perry, Alizadeh and Riege (1997) based on Guba and Lincoln (1994)

The researcher has its own intrinsic ontology, epistemology and methodological orientation that shape the kind of questions the researcher asks and the interpretation that he or she brings to the research study (Denzin & Lincoln 2011). Section 3.2 provides the understanding of the research paradigms and positioning of the

researcher within one paradigm highlighting the underlying ontological, epistemological and methodological beliefs in this study.

The most important part of designing a research plan is the clearest explanation of why the proposed strategy has the potential of answering a specific research question and this explanation should be grounded in the existing literature (Dreher 1994). Section 3.3 includes the review of the previous methods and approaches used to study social network development. This section highlights the various theorizing strategies to study 'process' and the approach taken i.e. 'Grounded Theory' to study social networks in a specific context.

The following section (Section 3.4) reviews the 'Grounded Theory Method' with its historical development and three main versions highlighting the 'Constructivist Grounded Theory' version selected for this research study. This section explains the key activities in the research process that would further be elaborated in Chapter 4.

Section 3.5 provides a brief commentary on the understanding of the term "theory" for constructivist grounded theorists. The chapter will conclude with some discussion on the ethical considerations taken in this study (Section 3.6) and the discussion on evaluating grounded theory (Section 3.7) for credibility, originality, resonance and usefulness of the theory developed (Charmaz, 2006).

3.2 Research Paradigm and Position of the Researcher

"Three interconnected, generic activities define the qualitative research process. They go by a variety of different labels, including theory, method, and analysis; or ontology, epistemology, and methodology. Behind these terms stands the personal biography of the researcher, who speaks from a particular class, gendered, racial, cultural, and

ethnic community perspective. The gendered, multi-culturally situated researcher approaches the world with a set of ideas, a framework (theory, ontology) that specifies a set of questions (epistemology), which are then examined (methodology, analysis) in specific ways” (Denzin and Lincoln, 2011).

A PhD study is a journey of learning about oneself and finding the researcher within (Finn 2005; Phillips & Pugh 2010). It is critical to identify the ontological and epistemological position of the researcher as it aids the selection of methods chosen for the research study. All researchers have their particular way of knowing and seeing the world (Schram 2003). Right from the beginning of this research study, I decided to keep a reflective journal to document how I see the world around me.

Keeping a reflective journal proved to be a useful activity that assisted me in “keeping a reflexive stance of modes of knowing and representing studied life” (Charmaz 2005) and highlighting any pre-conceptions and assumptions in the early stages of the research study (Mruck & Mey 2007). I also tried to identify what I knew and understood about the social networks while doing my research.

The following excerpt from my research diary is an example of a journal entry on my understanding of social networks. The following excerpt is one of the earlier versions.

Research Diary Entry on Social Networks: Oct, 2014

“Social networks are the group of people that a person knows and has a relationship with at some level. In my research, the kind of people and actors that I have identified that are part of social network of the entrepreneur is family, friends from school, college and university and colleagues from previous jobs. The father in the family

connections has significantly come up as source of development of other linkages and general advice. The network of firm comprises of customers, partner companies and employees. Then there are the business clubs/organizations that these entrepreneurs are part of and interact with on the regular basis. These business clubs are industry specific as well as heterogeneous group of entrepreneurs coming together to share their experiences. Then there are universities that these entrepreneurs are linked with some incubator centres and mentoring for students at business schools. The IT and engineering companies tend to be more specific in networking in their industry circles. It is very interesting to understand how the entrepreneurs interpret them becoming part of these networks. Whenever they talk about the networks they operate in, they always explain how the new connection was related to someone they already knew. The entrepreneurs also explain the networks developing along the whole process without the effort or intention to do so.”

The position of the researcher in terms of his/her demographic background, gender and familiarity with the subject area aid in defining the role the researcher plays in the findings of a research study (Charmaz et al. 2015). The researcher is a female born and raised in Lahore, Pakistan belonging to an upper middle class family and well embedded in the cultural context being studied. The following journal entry highlights how this research area was chosen and the researcher’s ontological, epistemological and methodological orientation.

Early Research Diary: *So, I am going to start my journey as a PhD researcher using Constructivist Grounded Theory - an approach that is a new journey just like my*

research. I think it would be a good idea to write these journals so that I could track back my thinking process. So I am interested in how the social networks of the entrepreneur develop when they are undertaking the entrepreneurial activity. So my first instinct is to start with the life before starting the venture. I am hoping to find the social hubs that give life to the networks. I have not yet identified what my unit of analysis would be: a network as a developing entity? Or the entrepreneur himself? So I have taken the constructivist approach that mainly emphasises that theories are mutually developed by researcher and the participant. The meanings and understanding of the researcher is a key to kind of analysis and findings that are going to be presented in grounded theory. So I just want to acknowledge and write it all in clear what I think might influence the way I interpret the findings of my research. I am a PhD student with fair knowledge of the field of entrepreneurship because of my education and research in this field. Personally, I have grown up under a shadow of an entrepreneur, my father, and he used to share his experiences whenever we had a family time together. So I think that my thinking orientation is highly influenced by those experiences. So I will have to make the meanings explicit when I interact with the entrepreneurs and explore their entrepreneurial experiences. I am also an aspiring entrepreneur but I am not sure how it could affect the construction of meaning in my research!

The researchers' 'ontological assumptions are concerned with what we believe constitutes social reality' (Blaikie 2000). I believe that the reality is created through multiple perspectives and there is no one true reality to be found or discovered through the research process (Lincoln & Guba 1985; Silverman 2009). This ontological position holds for all the people involved in this study i.e. the researcher, the entrepreneurs that have been participating in this study and the audience who would be accessing

the completed study. The concept of entrepreneurship, being involved in an entrepreneurial activity and social networking that the researcher holds have been influenced and shaped by the personal experiences of the researcher. The researcher has been actively involved with the entrepreneurs doing businesses in Pakistan and these interactions shaped the way the researcher approaches the research problem.

As a part of the field work, the process of recruitment of participants and activities that I became part of due to this study also shaped the overall meaning of networking. The details of all these activities are presented in Chapter 4. The understanding that the researcher has about the networking in the cultural context of Pakistan may be different from the entrepreneurs involved in this research study. This research study has been designed to highlight these multiple realities and co-construct a reality with the participants (Charmaz 2006). This research study aims to construct a substantive theory regarding the networking in an entrepreneurial setting.

Lincoln and Guba (1985) assert that the key purpose of the study in a constructivist paradigm is the realisation that the “whole is greater than the sum of the parts and the accumulation of the parts does not entirely capture the whole”. Constructivism paradigm involves the relativist ontology and subjective epistemology that means that the reality is constructed in the minds of the individuals (Lincoln & Guba 1985). The researcher is the “passionate participant” and the result of the study is the always shaped by the interaction of the researcher and the participants i.e. the co-constructed meanings and understanding of the phenomenon studied (Lincoln & Guba 1985). This study is positioned in the constructivist paradigm. The experience of entrepreneurs in a specific context and their understanding of the concept of entrepreneurship and social relations leading to its development is being studied.

Silverman (2009) asserts that in order to develop a deeper understanding of the social phenomenon, the researcher has to directly engage with the people who are involved or experience that phenomenon. Every participant has its own meanings that they bring to the concept of entrepreneurship and reflecting on their experiences of starting a venture and being involved in social activities that lead to the development of networks (Silverman 2009).

After positioning the researcher in the particular paradigm and epistemology, the methodology is selected that fits the research problem being studied. Choosing and devising a methodology to study the phenomenon of entrepreneurship is a challenging task due to the dynamic nature of the subject. This research study required a methodology that could build its analysis with attention to context and aid the development of research questions while engaging with the participants.

The context is an important variable to explain managerial behaviour and thus requires the researcher to devise research methodologies that contribute towards better understanding of the contextual boundaries of the knowledge gained (Meyer 2007). Hofstede (2007) emphasized that management practices are culturally embedded and insights gained in one culture is highly unlikely to be transferable to another culture. It is critical that the researcher is aware of the cultural and social norms in order to devise appropriate data collection tools that fulfil the aims and objectives of the research. The researcher is well embedded in this economic and social environment (Hofstede 2007). This study is focusing on the entrepreneurial ventures in Pakistan, an Asian country with population of more than 180 million people. The following figure shows the cultural dimensions for Pakistan in a study by Hofstede (1984).

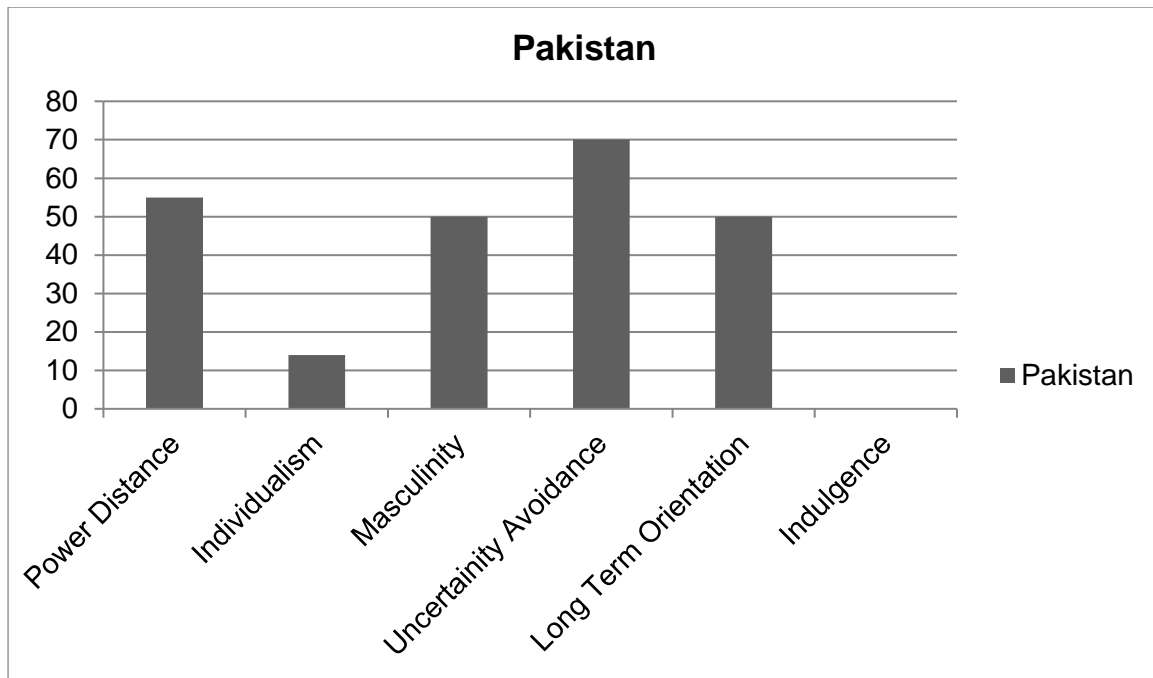


Figure 11 - Hofstede (1984) Cultural Dimensions of Pakistan

The next section reviews the different methodological approaches taken to study the networks in the entrepreneurship literature. Through analysing different approaches to sense making and theorising 'process', the next section summarizes the fit of grounded theory for this study.

3.3 Studying Social Networks and Entrepreneurship

Hoang and Antoncic (2003) presented a critical review of the research done in entrepreneurship through the use of networks. Through reviewing the articles published in the last 15 years, they asserted that the research of the networks done in the entrepreneurship literature can be characterized by content of network relationships, governance of the network relationships and structure of the ties in the network. Discussing the units of analysis in the network based research, they highlighted that the research can be divided into two categories: networks studied as independent variable and networks studied as dependent variable. As an independent variable, the research focus is on the effects of networks on the entrepreneurial

process that lead to positive outcomes. As a dependent variable, the research is focused on the process oriented network research that studies the development of networks over the venture formation process.

There is no definitive methodological approach to study entrepreneurial networks (Jack, 2010). Previous studies on networks have used range of qualitative as well as quantitative methods, the latter being dominant (Huggins 2000; Hoang & Antoncic 2003). Quantitative research methods have been useful in highlighting the structural aspects of networks such as density, activity levels, centrality and extensiveness (Jack 2010). Qualitative research provides an opportunity to access the context in which the network relationships are formed or rejected and how the entrepreneurs make sense of their experiences (Chell & Baines 2000) and facilitate the process oriented research (Hoang & Antoncic, 2003).

There has been growing number of studies being published based on qualitative research that has evolved the discipline of business and management and the stages of social investigation are replaced with the idea of research as a social process (Bryman & Burgess 1994). The process of qualitative research relies on inference, insight, logic, luck and eventually with hard work and creativity the results emerge as a coherent whole (Morse 1994). However, there are some key issues that need to be addressed such as an explanation of what has been done and how conclusions have been reached; an adequate use of conceptualisation and understanding of a given perspective and no 'muddling' of methods and their philosophies and strategies (Wilson & Hichinson 1996).

Qualitative research outlines the set of essential qualities of complex social phenomena (Dougherty 2002). It uses interpretive and naturalistic approaches (Lincoln and Guba, 1985) to data and analysis and focuses on multi-method (Denzin

and Lincoln, 1994). Qualitative approach to study networks not only provides the necessary interaction with the context but also facilitate the co-construction of reality with the participants. Bryman and Bell (2007) contrasted between qualitative and quantitative methods of inquiry. The following table shows the contrast:

Table 13 - Contrast between qualitative and quantitative methods of inquiry

Quantitative	Qualitative
Numbers	Words
Researcher's point of view	Participants' point of view
Researcher distant	Researcher close
Theory testing	Theory emergent
Static	Process
Structures	Unstructured
Generalization	Contextual Understanding
Hard, Reliable Data	Rich, deep data
Macro	Micro
Behaviours	Meaning
Artificial settings	Natural settings

Source: Adapted from (Bryman & Bell 2007)

There are many qualitative research methods that could be used to theorize the process under study. The process data collected in the context of organizations and entrepreneurs have many characteristics that make the analysis difficult (Langley 1999). The process involves sequence of events i.e. conceptual entities that the researcher is not aware of. Secondly, often multiple levels and units of analysis are involved whose boundaries are not clear. The temporal embeddedness is different in terms of precision, duration and relevance. Lastly, despite the primary focus are

events but the process data often draws in on the phenomena like changing relationships, thoughts, feelings and their interpretations.

Mohr (1982) presented a clear distinction between variance theory and process theory. The variance theory explains the phenomena in terms of the dependent and independent variable and their relationship whereas the process theory explains the sequence of events in a temporal order leading to an outcome highlighting probable interactions among entities. Thus process study involves the understanding the patterns of events (Mohr 1982). The process view focuses not on the order and sequence of events but defines and measures the events analysing temporal patterns in an events sequence data (Aldrich, 2014).

In process data, events are not variables and need to be conceptualized and detect patterns among them as Van de Ven and Poole (1995) categorized these patterns as phases that occur over time to produce certain outcome. The raw process data is not that neat and clear. It is very difficult to isolate the units of analysis in an un-ambiguous way as the process phenomenon has 'a fluid character that spreads over both space and time' (Pettigrew 1992).

Despite the rigorous data collection procedures, sometimes an event is not highlighted along with a series of outcomes. This leads the researcher to combine the historical data with the current documents and analyse the process through it. This approach has limitations but tends to be unavoidable which also influences the theorizing. The process data poses a great challenge to analyse. A sheer volume of words to be organized and understood can create a sense of drowning in shapeless mass of information (Pettigrew, 1992).

“A research method makes epistemological claims, a method must indicate why its application will lead to a development of knowledge, otherwise researchers would have no basis for choosing that method in the first place” (Bryant & Charmaz 2007).

Jack et al., (2008) highlighted the main process studies conducted and their findings. The following table shows the method used to study the development of network as a process.

Table 14 - Methods used to study the development of network as a process

Author	Method
Larson (1992)	Exploratory Ethnographic Study
Larson and Starr (1993)	A three stage model was presented for further investigation
Hansen (1995)	Pilot mail questionnaire followed by structured interviews
Johannisson (1998)	Mail Survey
Hill et al., (1999)	In depth interviews
Minguzzi and Passaro (2000)	interview/mail questionnaire
Hite and Hesterly (2001)	Propositions presented for testing
Schutjens and Stam (2003)	Questionnaire (longitudinal)
Greve and Salaff (2003)	cross sectional survey
Lechner and Downing (2003)	Case Study
Hite (2005)	case study
Drakopoulou Dodd, Jack and Anderson (2006)	Quantitative survey by telephone and longitudinal qualitative cases.

Adapted from (Jack et al. 2008)

The process can be theorized through strategies of sense making (Langley, 1999) like narrative strategy, quantification strategy, alternate template strategy, grounded theory strategy, visual mapping strategy, temporal bracketing strategy and synthetic theory. Narrative strategy can handle ambiguous process data and present the finding in form of stories but cannot present theoretical framework of an integrated process view. Quantification strategy focuses on events and their characteristics but needs

similar incidents to conduct statistical analysis. Grounded theory uses incidents (units of texts) and categories, adapts well to the heterogeneous data and ambiguity, high on accuracy, moderate on simplicity to make meanings and patterns (Langley, 1999). Grounded Theory follows a series of highly structured steps systematically comparing small units of analysis (incidents) and gradually constructs the categories that describe the phenomena studied along with dimensions and properties. The analysis through grounded theory eventually highlights the core categories that tightly integrate with the theoretical concepts grounded in the original evidence. It is a best strategy to stay close to the original data and is highly accurate. It builds the theoretical structure from 'bottom up' through interview transcripts and field notes.

This study is using Grounded Theory as a theorising strategy to study the process of social network development in an entrepreneurial setting through analysing the incidents and experiences of entrepreneur engaged in an entrepreneurial journey. As this research aims to study the single context of Pakistan and focuses on the process of social network development in order to devise an emerging theory, qualitative research approach is the most feasible method of inquiry. The next section explains the Grounded Theory method and its historical development.

3.4 Grounded Theory in Qualitative Research: An Overview and its Development

Grounded Theory presents a way to learn about the worlds we study and a method for developing theories to understand them (Charmaz 2006). The Grounded Theory Method was developed by Glaser and Strauss in 1960s and articulated in four founding texts i.e. 'Awareness of Dying' (1965), 'The Discovery of Grounded Theory' (1967), 'Time for Dying' (1968) and 'Status Passage'(1971). Their books highlighted

the main components of the method as follows (Glaser & Strauss 1965; Glaser & Strauss 1967; Glaser & Strauss 1968; Glaser & Strauss 1971):

- Conducting data collection and analysis simultaneously
- Constructing analytic codes and categories from data rather than logically preconceived hypothesis
- Using constant comparative method
- Advancing Theory Development during each stage of the data collection and analysis
- Memo Writing to elaborate categories, relationships and identify gaps
- Theoretical sampling in contrast to population representation
- Conducting the literature review after developing an independent analysis

Strauss and Corbin (1998, p40) quoted:

“If someone wanted to know whether one drug is more effective than another, then a double blind clinical trial would be more appropriate than grounded theory study. However, if someone wanted to know what it was like to be a participant in a drug study [...], then he or she might sensibly engage in a grounded theory project or some other type of qualitative study”(Strauss & Corbin 1998).

Grounded Theory Method introduced the idea of creating new theories consisting of inter-related concepts about issues of importance in peoples' lives rather than testing existing theories (Glaser 1978; Glaser & Strauss 1967; Strauss & Corbin 1998). It follows a process of data collection that is often described as inductive in nature (Morse 2001).

Grounded Theory has developed since its first introduction by Glaser and Strauss in 1960s. The writings of Glaser (1967, 1978), Strauss and Corbin (1990, 1998) and Charmaz (2000, 2006, 2014) are significant texts reflecting the development of Grounded Theory Method (Charmaz 2006; Charmaz 2014). The review of the ontological and epistemological perspective of the texts by Glaser and Strauss and Strauss and Corbin shows that the Grounded Theory Method can be categorized as **Traditional** – work by Glaser and **Evolved** – work by Strauss and Corbin (Mills et al. 2006) and can be showed as a spiral of methodological development as opposed to binary opposition (McCann & Clarke 2003). There are four common characteristics of Grounded Theory Method that are present in both traditional version by Glaser and Strauss and Evolved version by Strauss and Corbin. Before selecting the version of Grounded theory to be used for a research, the researcher has to review the common characteristics in these versions (Mills et al., 2006). The following table highlights the differences.

Table 15 - The differences between versions of grounded theory

Issue	Traditional	Evolved
Theoretical Sensitivity	Asks the researcher to enter the field with no pre-conceived ideas and thus making them 'sensitive to the data' and record the happenings without any existing hypothesis or biases (Glaser, 1978)	Strauss and Corbin use various techniques such as questioning to enhance the theoretical sensitivity of the researcher. They describe 'theorising is an act of constructing...from data an explanatory scheme that systematically integrates various concepts through statements of relationship' (Strauss and Corbin, 1998)

Treatment of the literature	Glaser (1978) asked the researchers not to review literature in the substantive area in the study before the independent analysis in order to limit contamination and facilitate emergence of analysis from data.	Strauss and Corbin (1998) proposed to engage with the literature throughout the research process and contribute to the theoretical reconstruction of the researcher
Coding and Diagramming	Three forms of coding: open theoretical and constant comparative (Glaser, 1992)	Strauss and Corbin (1998) developed a framework to ask questions about conditions, actions/interactions and consequences of categories. This makes links between the ideas conceptualized from the data (axial coding).
Identifying Core Category	The core category will emerge and 'core out' on its own accord (Glaser, 1978)	Strauss and Corbin (1998) designed a process where the core category was identified after acknowledging the role of researcher as the author of a theoretical reconstruction.

Source: Mills et al., (2006)

The initial texts by Glaser and Strauss suggested that the researcher should start with a clean slate meaning no literature review in order to conduct a true inductive study and to discover the theory already within the data. This approach suggested that the researcher should take a passive stance and 'let the data emerge' which can be

observed in an objectivist or positivist paradigm (Bryant 2003; Bryant & Charmaz 2007; Charmaz 2006; Mills et al. 2006).

Bryant and Charmaz (2007) reviewed the historical development of epistemological premise of the grounded theory method. Through developing the original method in 1960s, Glaser and Strauss aimed at providing a clear basis for 'systematic qualitative research' and an equivalent method of the status as quantitative methods at that time. In providing a firm and valid basis for the qualitative research, their early position can be interpreted as a justification for a naïve, realist form of positivism which holds that the accuracy of a theory can be determined simply by recourse to 'the data'. This view shows a clear epistemological orientation that assumes that reality can be discovered, explored and understood. This positivistic stance of the method has recently been challenged and critically exposed (Bryant and Charmaz, 2007).

In later writings, Strauss and Corbin (1994) have clearly stated that they do not believe in an existence of a *"pre-existing reality 'out there'. To think this otherwise is to take a positivistic position that...we reject...our position is that truth is enacted"*. This is a relativist ontological position that is different from traditional grounded theorists' subscription of the discovery of truth that emerges from data representative of a 'real' reality (Glaser, 1978). Strauss and Corbin recognized the importance of a multiplicity of perspectives and truths (Strauss, 1987; Strauss and Corbin, 1990, 1994, 1998) and extended the range of theoretically sensitizing concepts that must be attended to the analysis of human action and interaction (MacDonald 2001). This approach makes the theory developed to be more reflective of the context and the analysis of data more rich (Strauss and Corbin, 1994).

Later, Kathy Charmaz, a student of Glaser and Strauss, emerged as a leading proponent of Constructivist Grounded Theory. She presented the view on the grounded theory that assumes that *“neither the data nor theories are discovered”*. According to her, we construct the grounded theories from our past and present interactions with the people, perspectives and research practices. According to her, constructivist approach to Grounded Theory method is both possible and desirable because *“Data do not provide a window on reality. Rather, the ‘discovered’ reality arises from the interactive process and its temporal, cultural, and structural contexts”* (Charmaz 2000).

Following Charmaz, researchers have to go beyond the surface in seeking meaning from data and search for tacit meanings about values, beliefs and ideologies (Mills et al., 2006). There is an underlying assumption that the interaction between the researcher and the participants “produces the data, and therefore the meanings that the researcher observes and defines” (Charmaz 1995). Thus, Charmaz has positioned the researcher as a co-producer of the theory and have them to “add...a description of the situation, the interaction, the person’s affect and [their] perception of how the interview went” (Charmaz, 1995).

There has been discussion on the various ontological and epistemological stances to use grounded theory and it depends on the position taken by the researcher which version in the methodological spiral of grounded theory they use (Mills et al., 2006).

According to Charmaz (2014 p. 15), the grounded theorists:

- Conduct Data Collection and analysis simultaneously
- Analyse actions and processes rather than themes and structure
- Use comparative method

- Draw on data- narratives and descriptions in service of developing new conceptual categories
- Develop inductive abstract analytic categories through systematic data analysis
- Emphasize theory construction rather than description or application of current theories
- Engage in theoretical sampling
- Search for variation in the studied categories or process
- Pursue developing a category rather than covering empirical topic

This research takes the constructionist view of grounded theory and follows the guidelines presented by Charmaz (2006, 2014). This methodology has been selected for many reasons. First, constructivist grounded theory is in line with the researcher's ontological position in this research. It provides the required procedures and analytic tools that are required for inductive theory building about the process that is the main objective of this research. Secondly, grounded theory provides the appropriate inquiry processes for the field of Entrepreneurship addressing research issues at various levels (Douglas 2004). While researching the development of networks of entrepreneurs, multiple units of analysis and conceptual ideas were identified. The theorising strategy of constructivist grounded theory facilitated the process of asking questions about the data and the way forward for further data collection. Grounded Theory involves shaping and reshaping the data collection and thus refines the data (Charmaz 2006). It does not rigidly prescribe which method to adopt instead provides flexible guidelines (Charmaz 2006). This study is using these guidelines to study the development of networks in the entrepreneurial setting by paying attention to the context where the study is conducted. The following figure shows the research process of conducting grounded theory by Charmaz (2006).

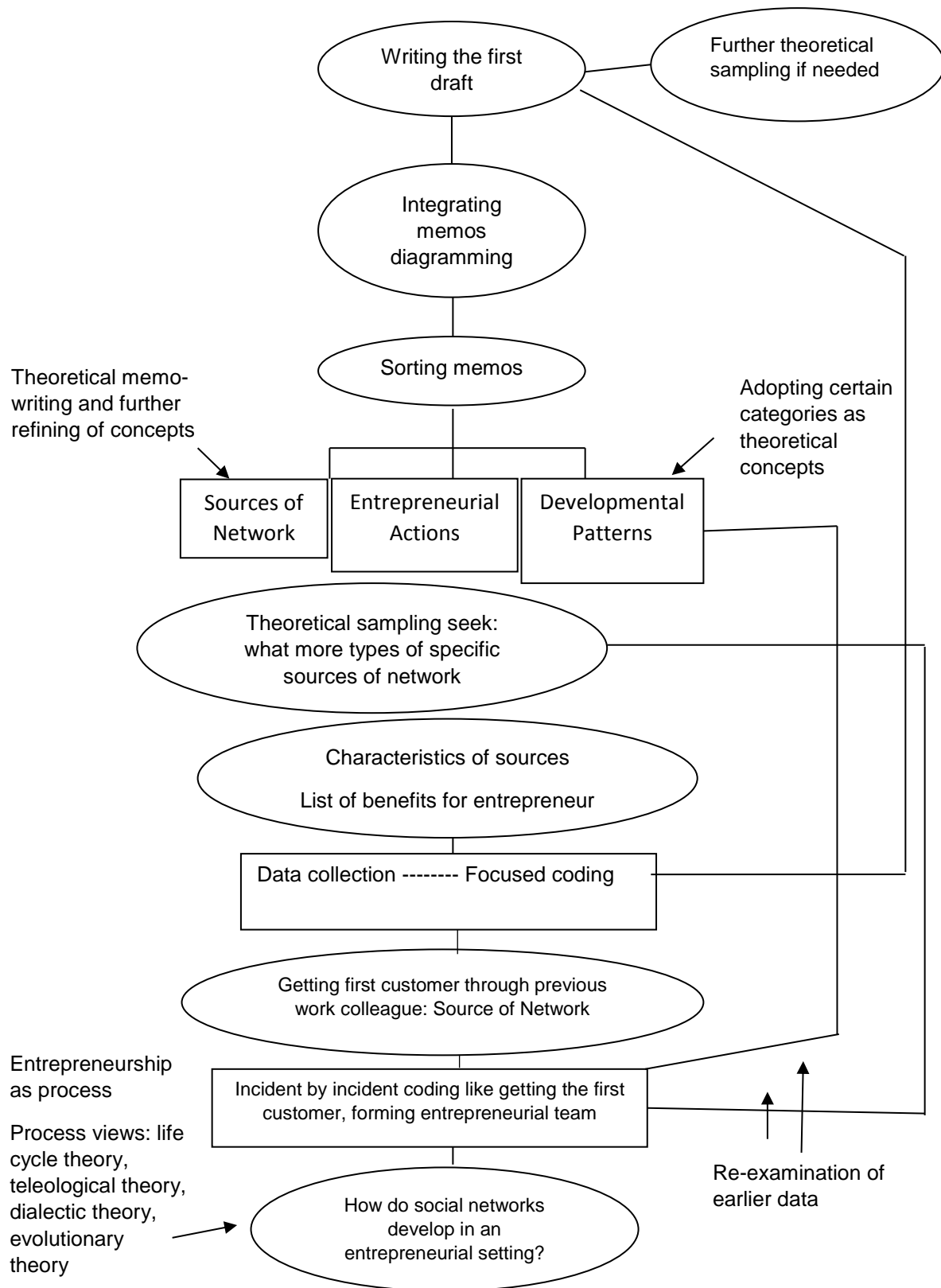


Figure 12 - The research process of conducting grounded theory by Charmaz (2006)

The details of all the decisions taken at each step of the research process will be discussed in Chapter 4.

3.5 Constructing Theory

Most of the qualitative researchers stop at the description level rather than lift the analysis to the level of abstraction and explanation (Spiggle 1994). There are three core ingredients of a social research i.e. the construction of theory, the collection of data and the methods used to gathering data (Gilbert 1993). There are four types of theory used in qualitative research (Miles & Huberman 1994). These types are summarized below:

Table 16 - Different types of theory from Miles & Huberman (1994)

Type of Theory	Description
Implicit Theory	Based on preconceptions, biases and values which lead us to refer to situations under study as, for example, 'broken homes', thus implying that they are imperfect or damaged
Explicit Theory	Usually a set of concepts which indicate, for example, a hierarchy or a network of propositions. Example may include 'innovation adoption' or 'culture'
Syntagmatic or process-oriented theory	Usually the detailed results of a study of process over time of a specific case
Paradigmatic Study	Usually involves using a variable oriented approach that deals with the relationship among clearly defined concepts. Miles and Huberman give the example of a study of adolescent decisions to attend college by looking at the relationship among variables such as socio-economic class, parental expectations, school grades and peer support.

The word 'theory' "states relationships between abstract concepts and may aim for either explanation or understanding" (Thornberg & Charmaz 2012). 'Theories' offer accounts of what happens, how it happens and may aim to account why it happened whereas 'Theorising' constitutes the actions that are involved in constructing these

accounts (Charmaz 2014 p.228). Charmaz (2014) asserts that grounded theory raises ‘why’ questions in addition to ‘what’ and ‘how’ questions in the form of explanatory generalizations that theorise causation to abstract understandings that theorise relationships between concepts. Charmaz (2014) argues that the meaning of theory among grounded theorists’ vary because of disagreements on how to use the method and what a completed theory should look like. She identifies two general orientations to theory i.e. positivist and interpretivist definitions of theory. Positivist definition of theory means ‘a general proposition, or logically-connected system of general propositions, which establishes a relationship between two or more variables’ (Abend 2008). Positivist theorists aim to seek causes, look for explanations and emphasize on generality. Interpretive definitions of theory emphasize on interpretation and prefer abstract understandings more than the explanation. Interpretive theories focuses more on indeterminacy rather causality. The following table shows the comparison of these two definitions of theory.

Table 17 - Comparison of Positivist and Interpretive Theorists adapted from Charmaz (2014)

<p>The Positivist Theorists:</p> <ul style="list-style-type: none"> • treat concepts as variables, • identify properties of concepts, • specify relationships between concepts, • explain and predict these relationships, • systemize knowledge • verify theoretical relationships through hypothesis testing • generate hypothesis for research 	<p>The Interpretive Theorists aim to:</p> <ul style="list-style-type: none"> • conceptualize the studied phenomenon to understand it in abstract terms • articulate theoretical claims pertaining to scope, depth, power, and relevance of a given analysis • acknowledge subjectivity in theorizing and hence recognize the role of experience, standpoints, and interactions including one’s own • Offer an imaginative theoretical interpretation that makes sense of the studied phenomenon.
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Charmaz (2014) distinguishes two types of grounded theories i.e. Objectivist Grounded Theory and Constructivist Grounded theory. According to her, the constructivist grounded theory is a part of a broader interpretive tradition whereas objectivist grounded theory derives from positivism. The objectivist view of grounded theory is mostly represented by works by Barney Glaser and his colleagues. The following table shows the comparison of both approaches to grounded theories. This study has opted for the Constructivist Grounded Theory approach.

Table 18 - Comparison of Objectivist and Constructivist approaches to Grounded Theory adapted from Charmaz (2014)

<p>Foundational Assumptions</p> <ul style="list-style-type: none"> • Assumes an external reality • Assumes discovery of data • Assumes conceptualization emerge from data analysis • Views representation of data as unproblematic • Assumes the neutrality, passivity, and authority of the observer 	<p>Foundational Assumptions</p> <ul style="list-style-type: none"> • Assumes multiple realities • Assumes mutual construction of data through interaction • Assumes researcher constructs categories • Views representation of data as problematic, relativistic, situational and partial • Assumes the observer's values, priorities, positions, and actions affect views
<p>Objective</p> <ul style="list-style-type: none"> • Aims to achieve context-free generalizations • Aims for parsimonious, abstract conceptualizations that transcend historical and situational locations • Aims to create theory that fits, works, has relevance, and is modifiable (Glaser) 	<p>Objective</p> <ul style="list-style-type: none"> • Views generalizations as partial, conditional, and situated in time, positions, actions, and interactions • Aims for interpretive understanding of historically situated data • Specifies range of variation • Aims to create theory that has credibility, originality, resonance, and usefulness
<p>Implications for Data Analysis</p> <ul style="list-style-type: none"> • Views data analysis as an objective process 	<p>Implications for Data Analysis</p> <ul style="list-style-type: none"> • Acknowledges subjectivities throughout data analysis

<ul style="list-style-type: none"> • Sees emergent categories as forming the analysis • Sees reflexivity as one possible data source • Gives priority to researchers analytic categories and voice 	<ul style="list-style-type: none"> • Views co-constructed data as beginning the analytic direction • Engages in reflexivity throughout the research process • Seeks and (re) represents participants' views and voices as integral to the analysis
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The objectivist approach emphasizes the development of theoretical categories that serve as variables, assumes an indicator-concept approach, seeks context free but modifiable theoretical statements and aims for the explanatory power. The objectivist theorists keep a distance from the realities of the participants and seek an 'external reality' (Charmaz 2007). On the contrary, constructivist approach to grounded theory emphasizes on the studied phenomenon and sees both data and analysis as a result of shared experience and relationship with participants (Bryant & Charmaz 2007; Charmaz & Mitchell 1996). The theory depends on the researcher's view i.e. research reality as a situation that comprises of a 'who' and 'what' is being studied and what effects the overall situation where the study is conducted (Clarke 2005). Different researchers may come up with similar ideas but the way that treat the data theoretically may be different. That is the reason why the constructivist grounded theorists acknowledge the subjectivity at each step of the process. The following chapter would deeply indulge in the discussion on the theorising process and different decisions taken by the researcher at every stage.

3.6 Evaluating Grounded Theory

Charmaz (2006) provided the following criteria according to which the grounded theory studies should be evaluated. She emphasized that a strong combination of originality and credibility increases resonance and usefulness and subsequent contribution towards knowledge.

3.6.1 Credibility

- Are there strong links between gathered data and argument?
- Are data sufficient to merit claims?
- Do categories offer a wide range of empirical observations?
- Has the research provided enough evidence for the researcher's claims to allow the reader to form an independent assessment?

3.6.2 Originality

- Do the categories offer new insights?
- What is the social and theoretical significance of this work?
- How does the grounded theory challenge, extend, refine current ideas, concepts and practices?

3.6.3 Resonance

- Do categories portray fullness of the studied experience?
- Does the grounded theory make sense to the participants?
- Does analysis offer them deeper insights about their lives and worlds?

3.6.4 Usefulness

- Can the analysis spark further research in other substantive areas?
- How does the work contribute to knowledge?
- Does the analysis offer interpretation that people can use in their everyday lives/worlds?

In the subsequent chapters, these criteria will be revisited and the grounded theory will be evaluated for this study.

3.7 Summary and Conclusion

This chapter has highlighted the research methodology used for this research study. The first section of the chapter explains the research paradigm and my position as a researcher in this research study. The research methodology should be aligned with the research objectives and the problem being studied. This research aims to study the development of social networks during an entrepreneurial process. There are different methodologies that have been used to theorize process data in entrepreneurship literature. The dominant method of inquiry to study social networks and their development are quantitative methods. The qualitative methods provide necessary details of the context and the interaction with the data collected.

Grounded Theory method was developed by Glaser and Strauss in 1960s. The main features of the method are:

- Conducting data collection and analysis simultaneously
- Constructing analytic codes and categories from data rather than logically preconceived hypothesis
- Using constant comparative method
- Advancing Theory Development during each stage of the data collection and analysis
- Memo Writing to elaborate categories, relationships and identify gaps
- Theoretical sampling in contrast to population representation
- Conducting the literature review after developing an independent analysis

This study is using Constructivist Grounded Theory presented by Kathy Charmaz. She argues that the theories are constructed rather than discovered as proposed by Glaser and Strauss. Charmaz (2014) distinguishes between two types of grounded

theories: objectivist and constructivist grounded theory. The constructivist grounded theory depends on the researcher's view and co-constructed with the research participants. The research process starts with the initial coding followed by the focused coding with constant comparison, memo writing and engaging in theoretical sampling. The following chapter will explain the whole process of conducting the constructivist grounded theory in this research study.

Chapter 4: Study Methods

“Researchers and research participants make assumptions about what is real and, possess stocks of knowledge, occupy social statuses, and pursue purposes that influence their respective views and actions in the presence of each other. Researchers are obligated to be reflexive about what we bring to the scene, what we see and how we see it.”

(Charmaz, 2014 p; 27)

4.1 Introduction

The previous chapter provided an introduction to the methodologies being used to study social networks and their development in the entrepreneurship literature. According to the review, there are many quantitative and qualitative methods to study social networks, quantitative being the dominant one (Hoang & Antoncic, 2003; Jack et al., 2010). The chapter also provided the ways in which qualitative methods can provide the required depth and details of the research setting. Grounded Theory method was reviewed and its three prominent schools of thought were discussed. This study is taking the constructivist grounded theory approach introduced by Charmaz (2006; 2014). This study is being conducted according to the guidelines on ‘Constructing Grounded Theory’ presented by Charmaz (2006; 2014).

The following diagram shows the research process of a grounded theory study presented by Charmaz (2014). The process of conducting grounded theory is not a linear as the diagram suggests. It is an iterative process and grounded theorists stop and write whenever ideas occur to them about an interesting insight in the data being analysed. Charmaz argues that Grounded Theory is a way of conducting an inquiry that shapes data collection and emphasizes the analysis. This chapter would highlight

the research process along with the commentary on various decisions regarding selection of the research approach.

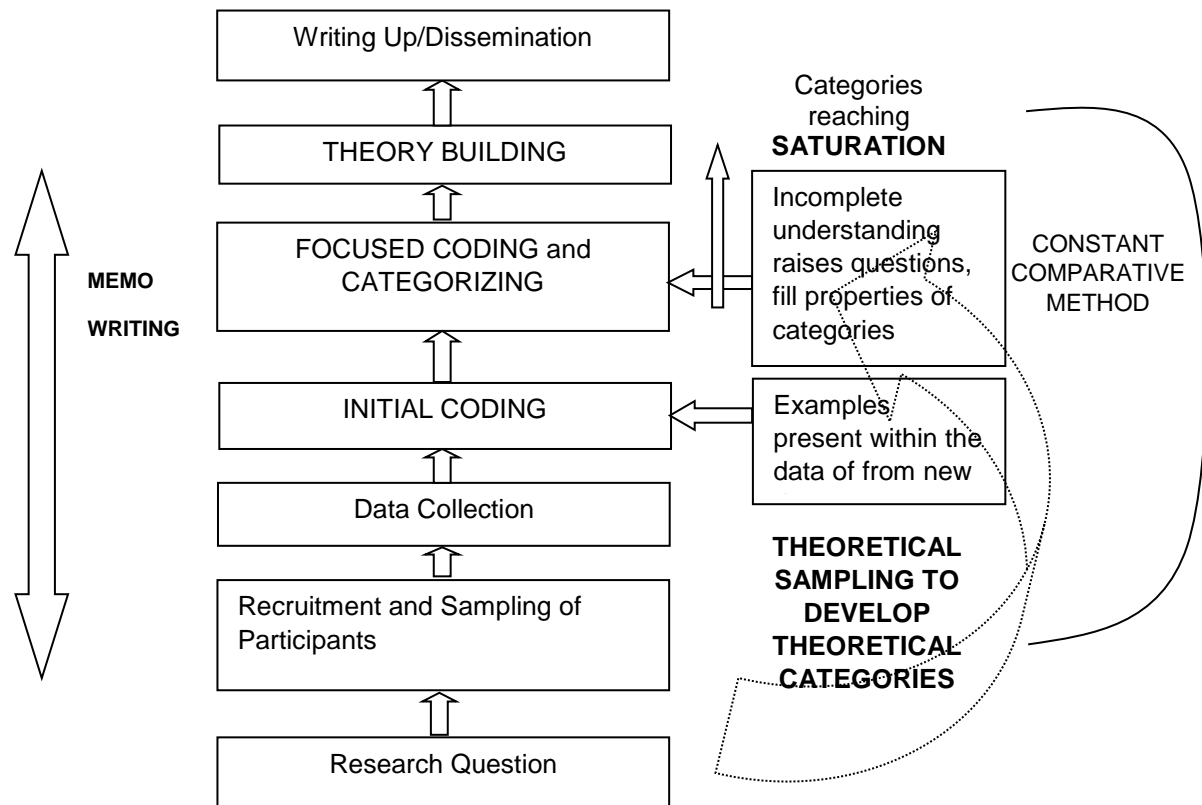


Figure 13 - The research process of a grounded theory study by Charmaz (2014)

This chapter is designed to explain each and every step in this research. According to Charmaz (2014), the data collection methods flow from the research question and what we know from it. This study was originally designed to look at the entrepreneurial process and the networks that develop along with it. So the research question was: how do networks develop during an entrepreneurial process? Once I entered in the field, the entrepreneur himself became the prominent driver of the study with network development linked to the entrepreneur's activities before and after the entrepreneurial venture. So the focus of the study was shifted by including the entrepreneurial process and the development of networks around the entrepreneur. Charmaz (2006) argues

that your research problem shapes the methods that you select for your data collection. The next section will highlight the 'intensive interviewing' as a method of collection. Other than interview transcripts, Glaser (2002) argues that 'all is data'. So everything that a researcher learns in a research setting can serve as data. Charmaz (2006) argues that people construct data whether it's the researchers generating data through interviews with the participants or their field notes or gathering documents with historical texts and information. The information in the documents can be considered as facts but individuals construct them.

This chapter will provide detail account of all the research activity and researcher's reflective statements. The section 4.2 will discuss the methods that have been used to collect data in this research study. Charmaz (2014) stresses on gathering 'rich data' that means that its detailed, focused and full thus revealing participants' views, feelings, intentions, actions, the contexts and structures of their lives. The way the data is collected affects which phenomenon the researcher will see in its data (Charmaz, 2014). This research study has selected 'intensive interviewing' as a method to collect data. According to Charmaz (2006), the methods are 'merely tools'. Some tools are more useful than the others and they have their consequences.

Charmaz, (2014), what we can do and ask in a setting depends on how our research participants identify and know us. This section will also show the process of recruiting the participants. The participants selected for the research study and their demographic profile would also be discussed in this section. The next section will highlight the analysis of the data collected. Data analysis is an important element of Grounded Theory and this section will explain the various analytical techniques used to analyse and theorize the data collected through these methods. The data analysis

starts with the coding practices: open and focused with writing memos and engaging in theoretical sampling- a key element of Grounded theory.

4.2 Selection of Participants – The process of recruitment

There are two larger issue that affect the interviewers and ethnographers while conducting a grounded theory study: identity and etiquette (Monaghan 2002). He commented that how your research participants identify you influence that what will they tell you. Identifying with the participants is a crucial task for the researcher because that defines the data that can be gathered. Charmaz (2014) asserts that both identity and etiquette may change once you gain the participants' trust and familiarize. They can provide the details that you had not anticipated and give direction for your further analysis.

The participants for this research study are the entrepreneurs who started their ventures in Lahore, Pakistan. As argued in the previous chapter, I am well embedded in the context being studied as I was born and raised in Lahore. I am well aware of the cultural norms and values of the context being studied. As far as the entrepreneurial part of the society is concerned, I have been part of this sector through my father, an entrepreneur and my previous research in the field of Corporate Entrepreneurship and various projects for my management courses at the university. The entrepreneurs selected for this study are running one if the Fastest Growing Firms in Pakistan ranked by All World Network. All World Network is an existing network of Fast Growing Firms in the world. Gaining access to the potential participants was well planned according to the cultural norms and values. I have developed my own network over the years so the first step was tapping into my own network and gain access to the entrepreneurs for the interview. I used my university network to gain access to the entrepreneurs and

got introduced through introductory email. The interview appointments were arranged over the email and phone. The interviews were conducted in the offices of the entrepreneurs. The subsequent new entrepreneurs were selected their being part of the existing network of the entrepreneur. The following diagram shows my network at the start of the research study.

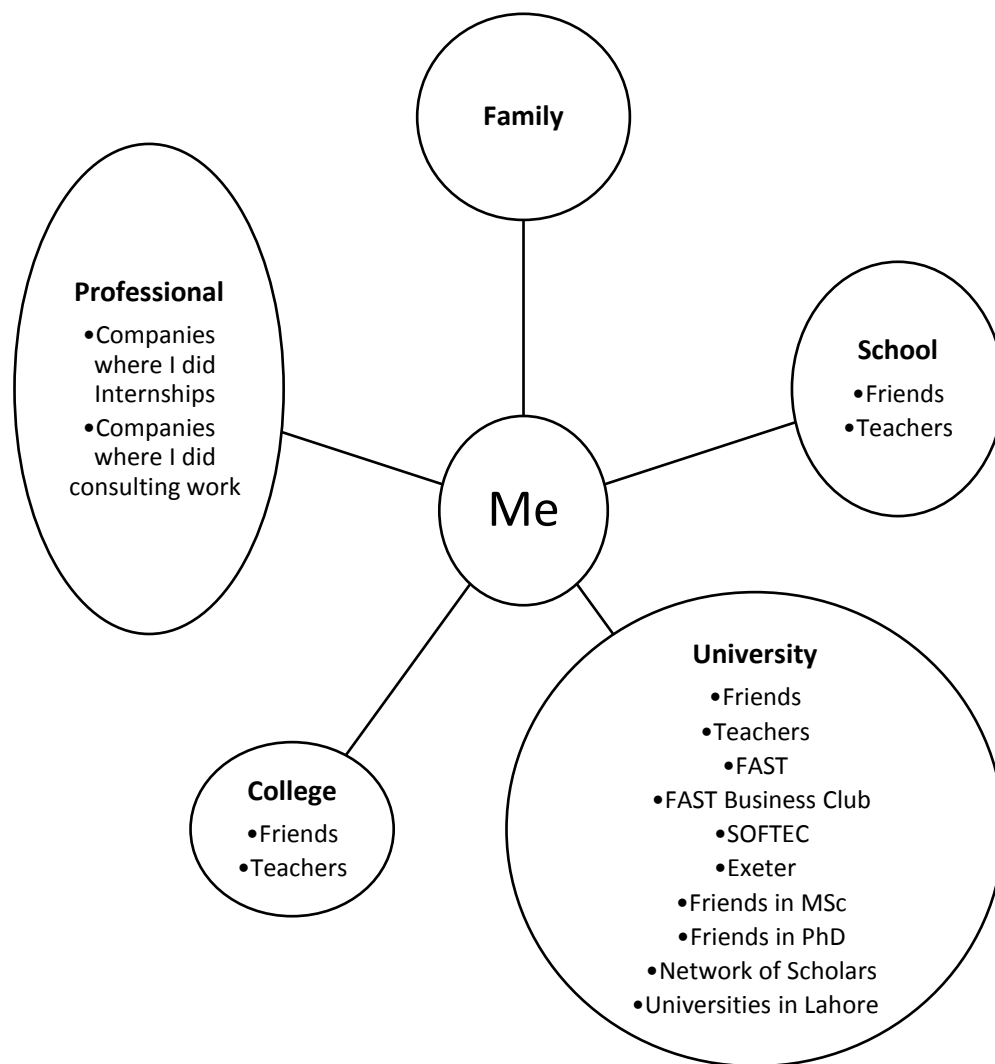


Figure 14 - My network at the start of the research study

I experienced the same as Charmaz (2006) explained when I interacted with the entrepreneurs in my research study. Once I familiarized myself with the entrepreneurs and their networks, they invited me to become part of their entrepreneurial network

OPEN (Organization of Pakistani Entrepreneurs) Lahore Chapter. The membership with the network gave me an opportunity to attend social events organized by OPEN and observe the social activities of the entrepreneurs. There are many entrepreneurship research scholars part of the network. The membership also helped me in getting access to further respondents of my study. So my network changed and grew during this research study.

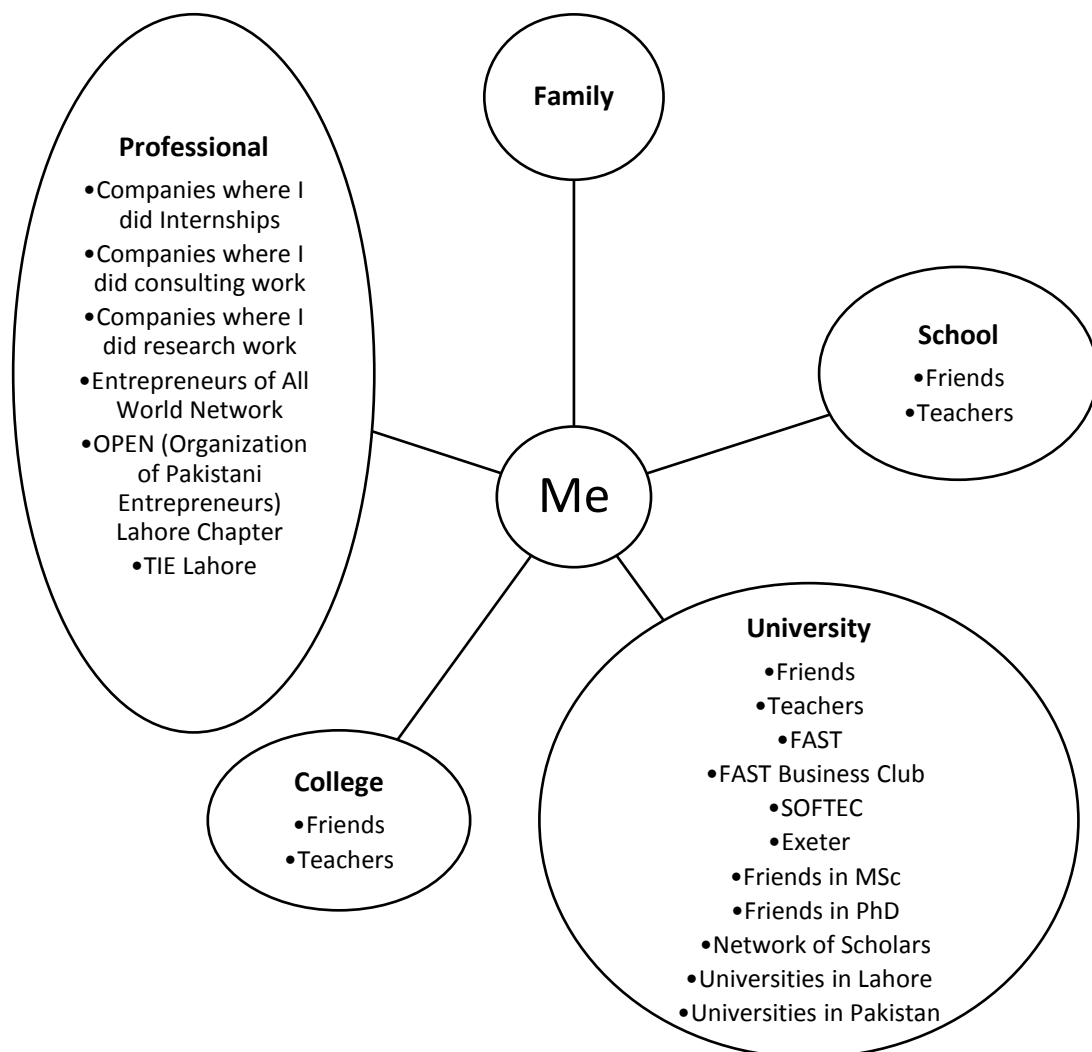


Figure 15 - My changed network during this research study

The following is an excerpt from my research journal that discusses the growth of my network during my research work.

Research Diary Entry

12th November, 2014

While I was analysing the entrepreneur's growing networks, it suddenly hit me. What about my network? Like I have been connecting with new people and now that I am part of OPEN, I feel like I need to review how my network has grown over the journey of this PhD. So when I started, I had a network of first my family, dad of course is a key connection to the entrepreneurial world and then my school friends, my college friends and my university network. I guess my biggest and diverse network is my university network. So it comprises of my friends, my professors, my social clubs like Business Club and Career Counselling Society etc. Then I have an extensive network of international friends from MSc. Days in Exeter and then PhD scholars' network. I used my university professor network to gain access to the All World Network entrepreneurs and I got connected to them. Now I know many new entrepreneurs and got introduced to more in a social of OPEN. It has been an interesting experience and I did not realize that I was building another network during whole this time. So my existing network gave me access to my new network. That got me thinking, If I had not started off to the journey of this research study, I never would have got the access to this network which was there but got revealed to me when I tapped into it for a purpose: research. So it could be argued that networks are there and it depends on your use and your interaction that you get connected to them or not!

4.3 Sample Profile – The Demographics of the study

The following table shows that characteristics of the sample of the firms and their entrepreneurs. Charmaz (2006) argues that every individual should be considered as

a case and comparisons should be conducted within one case for change in perceptions and among other cases.

Table 19 - Profile of interviewed entrepreneurs and their ventures

No .	Industry	Venture Founding Year	Education Background Of the Entrepreneur	Occupation of Father of the Entrepreneur	Member of Industrial and Entrepreneurial Groups
1	Software Services and Products	2007	MSc. Computer Engineering from Stanford, USA	Engineer in a private firm	Member of PASHA, OPEN, LUMS National Incubation Centre, Member of All World Network
2	Computer Networking and Software	2001	MSc. Computer Engineering from UET, Lahore	Government Officer	Founding member of OPEN, Mentor for UET, Member of All World Network
3	Manufacturing and Packaging	2003	MBA from Punjab University, Lahore	Entrepreneur and Academic	Member of OPEN, Member of All World Network
4	Manufacturing and Packaging	1982	MBA from Harvard Business School, US	Government Officer in Pakistan Railways	CEO Engineering Development Board, Government of Pakistan, Member of OPEN and Chamber of Commerce, Member of All World Network
5	Professional and Consulting Services	1987	Chartered Accountant from Australia	Accountant in private firm	Member of OPEN, Member of All World Network
6	Automotive	1983	BSc. Political Sciences and Business Management from Indiana University, US	Entrepreneur	Member of OPEN, Member of EO, Member of All World Network
7	High Tech and Telecommunication	1999	BSc. Chemical Engineering	Government Official	Friends' lunch group, Member

			from UET, Lahore		of All World Network
8	High Tech and Telecommunication	1999	MSc. System Engineering from Quaid- E- Azam University, Islamabad	Factory Manager in private sector firm in UAE	Friends' lunch group, Member of All World Network
9	Manufacturing and Packaging	1998	BSc. Engineering from UET, Lahore	Entrepreneur	Crescentarian Alumni Group, Friends' lunch group, Member of All World Network, Lahore Chamber of Commerce
10	Professional and Consulting Services	2007	MBA from LUMS, Lahore	Banker in Lahore	Member of All World Network, Member of OPEN, Lahore Chamber of Commerce, Member of Pakistan Marketing Association
11	Manufacturing and Packaging	1997	BSc. Engineering from UET, Lahore	Entrepreneur	Member of All World Network
12	Manufacturing and Packaging	1984	BSc. Engineering from UET, Lahore	Entrepreneur	Member of All World Network, Plastics Industry Association of Pakistan, Pakistan Auto Parts Association
13	High Tech and Telecommunication	2005	BSc. Computer Sciences from LUMS, Lahore	Banker in Lahore	Member of All World Network, Member of PASHA, Member of OPEN
14	Software Services and Products	2004	BSc. Electrical Engineering from Cal Tech in Pasadena, USA	Engineer	Member of All World Network, Member of PASHA,

					Member of OPEN (Chairman), TIE Lahore Chapter
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Terms in table Explained:

LUMS - Lahore University of Management Sciences, Lahore, Pakistan

USA – United States of America

UET – University of Engineering and Technology, Lahore, Pakistan

OPEN – Organization of Pakistani Entrepreneurs

PASHA – Pakistan Software House Association

EO- Entrepreneur Organization

TIE – The Indus Entrepreneurs Organization fostering Entrepreneurship

Crescentarian – Students of Crescent Model School, the oldest and top school in Lahore, Pakistan

This heterogeneous group of entrepreneurs from different backgrounds and industries gave an opportunity to conduct comparative analysis. Every entrepreneur had a different educational and professional background that facilitated the development of his network during the entrepreneurial journey. The main differences and similarities between entrepreneurs were their educational background including studying in Pakistan and abroad. The networks that they developed were different and diverse than the entrepreneurs who studied only in Pakistan. The benefits that the entrepreneurs received from being part of their educational institutes were also different. Some entrepreneurs had worked in the job market before starting up the venture. The connections that they built on the job working in the industry became good references for future customers and entrepreneurial team formation. One firm had two active partners and both were interviewed. They were connected through school and came together after many years for this entrepreneurial venture. Some of the entrepreneurs had worked abroad and other worked in local industry before starting a venture. 3 entrepreneurs are from the family businesses and started out their careers being part of the businesses and starting their own venture afterwards. 3 entrepreneurs started their venture after their studies without any experience. The

researcher's accounts of some entrepreneur's stories and their entrepreneurial journey are as follows:

Researcher Diary Entry for Entrepreneur 1

E1 was an inspirational entrepreneur who runs a software development and services providing company. His journey started from his days in LUMS where he was part of the first batch of BSc. Computer sciences group at LUMS. But LUMS was not the first university he went to. He started his degree in UET Lahore but due to long degree duration, he transferred to LUMS. According to him it was a risky choice as LUMS did not have any track record in the computer sciences field but the respondent considered it as one of the best decisions of his life. He did his bachelors and worked in the industry for 6 years and then pursued his masters at Stanford and came back. He started working for a company upon the recommendation of his father rather than going to Stanford for Masters and that job experience has been quite fruitful for E1.

He worked for his previous employers but it was another company and then when that company was closed he had a team of talented engineers and he started a company to support them and got a few projects. During this process, he got in touch with his old friend from LUMS who was working in US and had a company registered in US. E1 made a partnership with that friend and started his current company and got projects from US. The first projects were referred by the friend in US and his friends at Stanford. One of the main projects that gave his company recognition was a project offered by his teacher at Stanford. This projects gave a lot of references for the future projects. He formed partnerships with those companies for a long term development of the technologies. His entrepreneurial team comprises of his previous colleagues from the previous companies and the

team members that he hired for those companies. He has an interesting program of making the employees partners if they contribute significantly in the company for certain period of time. His educational institute LUMS and Stanford both played a key role in his entrepreneurial journey as his friends from LUMS became part of his entrepreneurial team and colleagues from Stanford became the first projects/customers that he worked with. His connection with his institution has been very strong as he now works as a mentor for the university's incubation centre and supported many aspiring entrepreneurs. He is also part of OPEN Lahore Chapter, PASHA and the AllWorld Network by being one of the fastest growing firms in Pakistan.

Researcher Diary Entry for Entrepreneur 2

E2 is the founding members of OPEN and his journey starts from his university days of Engineering and getting a job at Siemens. He worked there for a couple of years. He was quite good at his job as he got promoted twice in a couple of years and became the Northern Regional Manager. But he was not satisfied with the results. According to him, he was putting too much effort for somebody else's company and wanted to do his own thing. From his days in Seimens, there was a colleague who knew a person from Silicon Valley who wanted to start a business in Pakistan and E2 joined that start up with that colleague. He was of the opinion that he would become a partner in that firm but things went bad as he was considered just as an employee. He left the company and started his own company that provided network solutions to the businesses. They also started a training division that provided trainings to the individuals and businesses. His start-up days were like using their own computers and a garage as an office. His seed money came from the father of

his friend and the aunt of his partner. The first customer was a system administrator of a local college and he approached them because he knew E2 from his Siemens' days. When people got to know that E2 started his own company, these customers came to him for services. He had maintained a good reputation with those customers in his job days so it helped him to get the customers for his business. He became partners with Cisco, a big networking services provider, and became his technology seller in Pakistan. He got the highest level of partnership Gold Partnership with Cisco and a vast customer base all over Pakistan. They have recently expanded in Middle East and have an office there as well. He also runs mentorship programs for OPEN and UET students.

Researcher Diary Entry for Entrepreneur 14

Yet another example of resilience and entrepreneurial vigour! The story of E14 was a great example of an entrepreneurial adventure, decline, fighting with cancer and again going back to entrepreneurship after 10 years. E14 is an engineer from CalTech, USA and started his journey by working with a start up in US after graduating from the university. He was quite successful in that company, worked with great people, got a few patents registered and got 10 million US dollars as the company went IPO at the age of 28. He started his company in Shanghai but it failed miserably as the customers did not pay in time. E14 believed so much in that company that he had invested all his retirement money. The Stock Options that he received became worthless after dotcom crash and after that he was diagnosed with cancer. He recovered from Cancer and decided to get married. His wife is a Dominican Republic citizen and due to her green card application, they had to stay

in Pakistan. During that time, he joined a company in US and started working from Pakistan. Then the company laid off the foreign staff and he lost his job. At that time after 10 years, he started his own company again because of a friend's suggestion. The company provided software development services to the foreign companies. The projects were provided by that friends and E14 was just responsible for hiring and managing talent. During his time in that company, E14 recognized a problem regarding click fraud online and decided to make a product out of it. The product was a huge success as it can recover money for the companies who lose money due to this click fraud. Then he ventured into e-commerce and started selling products online. In his entrepreneurial journey, there came a point when E14 felt he needed someone in the company who could challenge his ideas and bring diversity to the company profile. He went to MIT business plan competition and won it. The main purpose of going to that competition was to get a new partner. He got that partner there and formed a new company in US with him. The company in the US provides the same services as the company in Pakistan but also runs insight.com – a search engine. One of the interesting thing about E14 is his farming hobby. He runs a sustainable farm in Lahore, Pakistan. He socializes with people from PASHA, OPEN – he is the chairman there, TIE Lahore Chapter and his friends from US. Another network that he moves in is the farmers' network. He provides guidance to small scale farmers for sustainable farming.

The above accounts show the stories and incidents that the researcher gathered through intensive interviewing. The next section describes the data collection strategy adopted in this research study.

4.4 Data Collection – Intensive Interviewing

The researchers generate strong grounded theories through ‘rich data’ (Charmaz, 2014). According to Geertz (1973), rich data can be obtained through ‘thick’ descriptions such as writing detailed field notes of observations, collecting respondents’ written personal accounts, finding relevant documents and compiling detailed narratives. A researcher has to think about constructing rich data with their methodological tools. There are many kinds of data that the grounded theorists can use such as field notes, interviews and information from records/documents. The kind of data that a grounded theorist uses depends on the topic being studied and access to that information (Charmaz, 2014).

The classic statements of Grounded Theory by Glaser and Strauss (1967) and Glaser (1978) emphasize on action and processes. The question like:

What is happening here? (Glaser, 1978) This question is looking at what is happening at either of the two levels:

- What are the basic social processes?
- What are the basic psychological processes?

According to Charmaz (2006; 2014), the method of data collection flows from the research problem being studied. In terms of quality and quantity of data collected, small samples do not pose any problem as grounded theory methods aim to develop conceptual categories so the data is collected to portray properties of a category and relations between categories (Glaser 1998; Stern 1994). According to Charmaz (2014), the following questions help evaluate your data:

- Have I collected enough background data about persons, processes, and settings to have ready recall and to understand and portray the full range of contexts of the study?
- Have I gained detailed description of a range of participant' views and actions?
- Do the data reveal what lies beneath the surface?
- Are the data sufficient to reveal changes over time?
- What kind of comparisons can I make between data? How do these comparisons generate and inform my ideas?

The way the data is collected shapes its content. This study is designed to learn about the entrepreneurs' (participants') views and actions and try to understand their lives from their perspective. Intensive interviewing is a way for generating data for qualitative research and means 'a gently guided, one sided conversation that explores a person's substantial experience with the research topic' (Charmaz, 2014). So during the interview the participant talks and the interviewer encourages, listens and learns. Intensive interviewing is a type of research interviewing which does not use the directed conversations like other types of research. Informational interviewing is used to gain demographic questions, descriptions of events and aims to gather accurate 'facts'. Investigative interviewing is also used to gain accurate details but they are used to uncover hidden motives and intentions. Investigative researchers may use intensive interviewing but they ask more confrontational questions.

The key characteristics of intensive interviews are:

- Selection of research participants who have the first-hand experience that fits the research topic

- In-depth exploration of participants' experience and situations
- Reliance on open-ended questions
- Objective of obtaining detailed responses
- Emphasis on understanding the research participants' perspective, meanings and experience
- Practice of following up on unanticipated areas of inquiry, hints, and implicit views and accounts of actions

In grounded theory studies, the researchers can use any interview strategy but typically intensive interviewing is used. Grounded Theorists also conduct some informational interviewing to gather needed details for their studies (Charmaz, 2014). Interviews are complex situations and thus be handled according to the cultural and social context. The interview participants' question before the interview about your study affect whether they will participate or not. The introductory talks with my interview participants were a great way to know the participants and they learned all about me and my study. The way they responded in the first 5 minutes gave me an opportunity to assess what approach should I take for the interview. The in-depth nature of intensive interviewing lets the researcher understand the topic because the interview participants have the relevant experience to reflect upon. The interviewer listens, observes with sensitivity and encourages the person to talk. So the result of an intensive interview is a co-construction of the interview conversation by interviewer and interviewee.

Even though the intensive interview is not directed interview technique, the researcher should not get into the data collection without an interview guide (Charmaz, 2014).

The interview guide should be used as a flexible too to revise and develop questions that can help in obtaining the research objectives.

Constructing an interview guide is a useful activity as it provides the researcher to create, revise and fine tune the questions as well as understanding when and how to ask these questions in a conversation. I also devised an interview guide to cover all the main areas to be explored in the research study and being open to new directions during an interview. The following is the interview guide used for this research study:

Interview Schedule for PhD Study at University of Exeter

Aim: To study the entrepreneurial process of the respondent focusing on the social interactions

Objectives:

- Explore how the entrepreneurs construct their story
- Explore how the entrepreneurs construct their social network
- Explore how the entrepreneurs interact within their social network
- Explore new themes about the social network development specific to the context
- Build a hybrid theory of social network development in entrepreneurial setting

Logistics:

Venue: The interviews will be conducted at either the office of the entrepreneur or the researcher.

Date and Time: The date and time of the interview would depend on the availability of the entrepreneur. The researcher would prefer the first half of the day for the interview.

Context: The researcher is using grounded theory approach to study the network development of entrepreneurs of high growth firms.

Consent: The participant will be given a consent form for taking part in the study and the process will continue after their consent.

Fact Sheet – Statement for interviewers to read out or participants to take away once agree to participate



This research aims to study the process that the entrepreneurs of Pakistan undergo while starting and growing their business. The results will help us learn more about the entrepreneurs' social networking experience in Pakistan and generate theory for further development of entrepreneurship literature. This research is being overseen by the Exeter Business School and being carried out by Sara Khawar, a candidate for PhD at Exeter Business School, University of Exeter, UK.

The data collected in the interview process is anonymous and all the information collected will be held in the strict confidence. If you are willing to participate in this research, this will include interviews at multiple points of time. The consent form confirms that you are willing to be recorded (audio interview) and for anonymous quotes to be used in reports and publications. However, you are able to withdraw your consent for any reason following the interview by contacting the researcher.

Should you have any queries or further comments, please contact the researcher:

Name: Sara Khawar

Email: sk362@exeter.ac.uk, sara.khawar@live.com

Open Ended Questions for the interview

1. Introduction:

- a. Would you like to tell me about yourself?

Prompts (if needed)

- i. Your education background
- ii. Your work experience
- iii. Your family background
- iv. Your business
- v. Recent business performance figures

2. Starting the business:

- a. How would you describe your journey of starting your business?

Prompts (if needed)

- i. When did you start your business?
- ii. Were you alone or you started with other partners?
- iii. What were the factors that contributed to your decision to start a business?
- iv. Why this business specifically?
- v. What activities were involved while starting your business?
- vi. Did you use any assistance – family, friends, others?
- vii. How did you finance your venture?
- viii. Did you or did you not face any difficulties while starting your business?
- ix. How did you know what to do?
- x. Do you remember how you got hold of your first customer?

3. Managing the business:

- a. How did you manage to expand your business?

Prompts (if needed)

- i. How did you approach your customers?
- ii. When did you start hiring?
- iii. How many employees do you have now?
- iv. How would you describe your relationship with your employees?

4. Social Interactions:

- a. How would you describe your normal day as an entrepreneur?

Prompts (if needed)

- i. What activities do you do?
- ii. How many people do you talk to?
- iii. Are you part of any business community society or chamber of commerce?
- iv. Do you interact with the entrepreneurs related to your business?
- v. Is there any forum where you meet the business community?
- vi. How would you describe your relationship with entrepreneurs in your industry?
- vii. Anyone in particular?
- viii. When did you meet him/her?

These interview questions were constructed for my own guidance. The questions that are stated above show the pre-conceived ideas of the researcher and the understanding that I had about the kind of questions that could meet my research objectives. Charmaz (2014) also encourages the grounded theorists to be reflective and assess your interview guide through following questions:

- To what extent the interview guide elicit the research participants' views, concerns and accounts of experience?
- To what extent does the interview guide reflect my views and interests instead of participants' experience?
- Will the interview guide address the purpose of the research?
- How can I shape my questions to open the conversation to what the research participants has to say and simultaneously fulfil my research objectives?
- How well have I paced the questions? Have I eased the research participant to delve into his or her experience?
- Have I adequately prepared the research participant for what will ensue?
- How would these questions sound to someone who has had this experience?
- What do my questions assume? To what extent will the research participant share my assumptions?
- Have I worded the questions in terms that the research participant would use or understand?
- Are the questions clear and concise?
- Have I thought of probes that will follow up on the general questions? Are any of my probes too intrusive?

My interview schedule tried to ask questions so that the entrepreneur could reflect on his experience and share his story. The prompts that I have constructed show my assumptions that could be a possible cause or circumstance that the entrepreneur could relate to. I started my interview with an introduction question that is purely based on the cultural norm of introducing yourself before answering any questions. This question also aided the entrepreneur to open up and give an overall structure of his experience and what he felt about the experience.

The follow-up questions were based mostly on those answers that broadly explained the experience of starting up a business. My first instinct about the questions in the guide were too direct and would not be able to get me much information but the actual interviews did not require me to ask all these questions. The entrepreneurs structured their story by themselves with little intervention from me. Every interview that was conducted was followed by a research journal entry about the experience and reflections to be incorporated later in the analysis. The following is an excerpt from an entry in my research journal about the interview:

Research Journal Entry: Interview 1

I was pretty confident today for this first interview.

'The entrepreneur' has been quite helpful in organizing an appointment and way to the office. He also sent me Google Map co-ordinates of the office location. Very helpful!

I got there 5 minutes early and was asked to wait in the conference room. I wonder if we would have the interview here!

But then I was asked to come to the office of the entrepreneur. Quite big room with two screens so he was standing up and working when I walked in.

The conversation started with the usual Assalam-o-aliakum (traditional Islamic greeting meaning may peace be upon you) and then I introduced myself again and thanked him for his co-operation.

Then he asked all the questions regarding me where I was studying and what was the purpose of this research. Signing of the consent form. I now understand when he kept on referring to the experience of studying abroad and looking for my approval that I agree or not.

He structured his story like it was a tech start-up in silicon valley.

He always referred 'we' whenever he was talking about his firm. I had to get him back to various instances such as his decision to study in US and then starting his firm here.

Overall it was a good interview with little words from my side and he was the one doing most of the talking.

One thing in particular, I had visited his firm's website before coming to the interview and asked some questions regarding partnerships that he has developed over the years.

He responded well and even gave reference to the website for the core value of his company 'trust', a blog entry on his website.

He also referred me to see the customer feedbacks from the big projects that they have done. He told me that these feedbacks are the key references for us for future work. So the website content can be used as data along with this interview transcript.

The above journal entry mentions about the website content and other interviewees also referred to their corporate literature such as official brochures and success story pamphlets to encompass their experiences. The official documentations and the

websites of their ventures are extant documents and can be used as data for grounded theory analysis. Qualitative researchers often use such materials to support their observational and interview findings (Charmaz, 2014). The documents and internet entries have to be analysed within a context. So the description of time, actors and issues help to contextualize the findings.

The second stage interview were conducted after initial codes and categories were formulated. The rationale was to fill the gaps in the stories and ask questions as why, how and when that incident happened. Most of the first interviews were focused on what the entrepreneur wanted to share. It was more stories and less reflection. The second stage interviews were designed to get the entrepreneurs reflect on what they shared in the previous interview.

The constructivist grounded theorists give attention to the situation and the construction of the interview, the construction of research participants' story and silences, and the interviewer-interviewee relationship as well as explicit content of the interview (Charmaz, 2009). A constructivist interview is different from the usual perception of an interview to be either a mirror of reality or a mere account to answer a question. A constructivist approach views interviews as emergent interactions during which social bonds develop. So it gives attention to the mutuality during the course of the interview and ways to build that mutuality (Charmaz, 2014). The following figure shows the process of using intensive interviews and conducting data analysis. Charmaz (2014) starts the process with open ended questions, engage in coding and construct categories and the follow up interviews are focused around those categories. This process enables the constructivist grounded theorist to conduct the intensive interviews with focus on constructing categories.

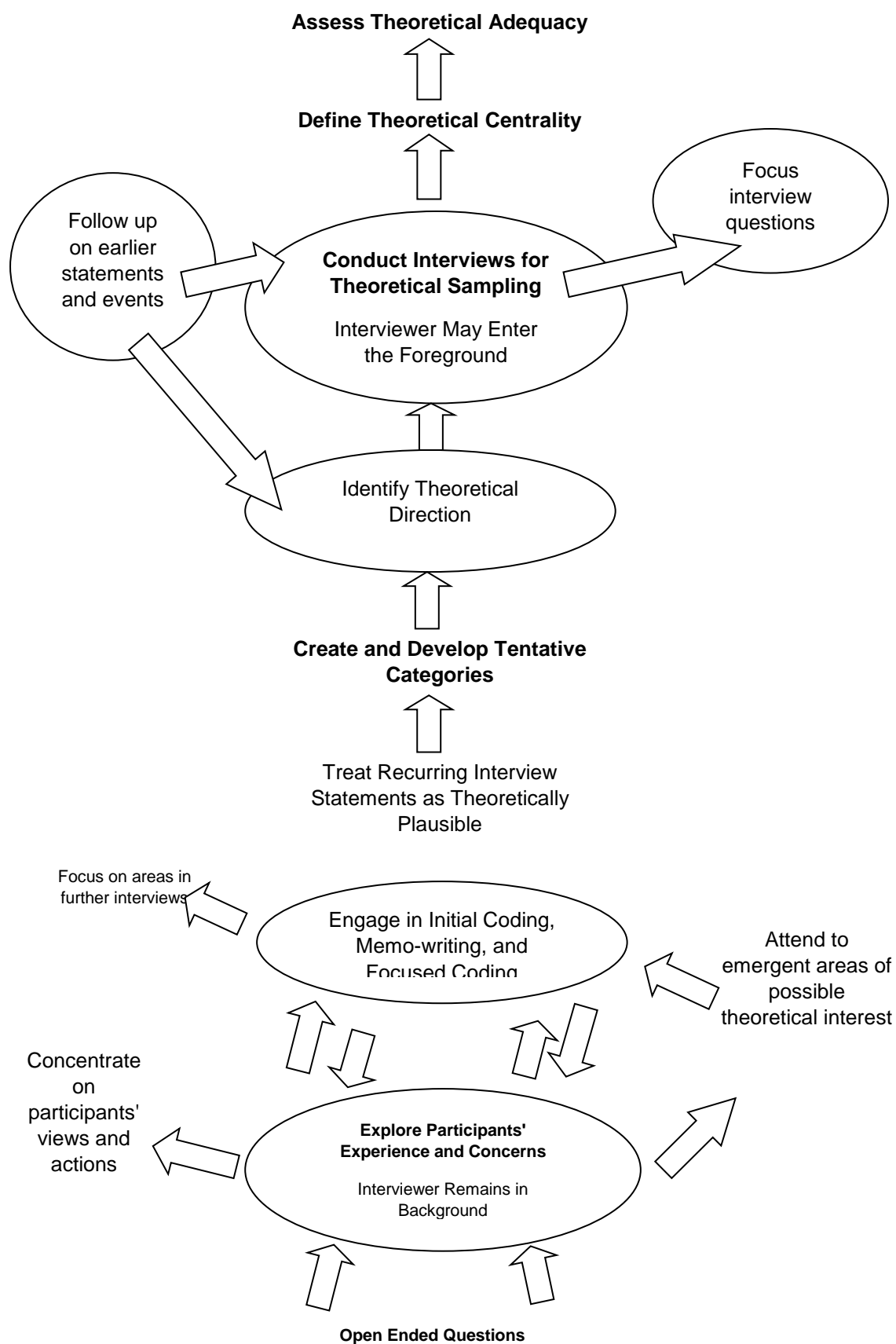


Figure 16- Interviewing in Grounded Theory Studies - Adapted from Charmaz (2014)

The following Research Journal reflects on the process of intensive interviewing I have used during this research study.

Journal Entry: Intensive Interview Process

Charmaz (2014) has given a very detailed and informative diagram in her book to see how we grounded theorists use interviews from open questions and subsequent direction. Now that I think about the process of interviewing these entrepreneurs, I realize how the guidelines presented by Charmaz (2014) help shape the ideas I got for building my theory. The open ended questions in the interview were designed to get the entrepreneur's story and codes that could reflect the development of networks during the whole process. So the first interviews with the entrepreneurs was to get their entrepreneurial story and identify where the network was developing and take a theoretical direction. During the interviews the entrepreneurs talked about different incidents that occurred while going through their entrepreneurial journey. Putting them on a time continuum there were experiences before and after starting up the venture. The data analysis started from those incident by incident codes. While talking about their experiences in those incidents, the entrepreneurs shared how these incidents resulted in becoming part of a network. These incidents were described as the sources of network development that facilitated in getting connected to different network actors. The further interview questions were designed to dig deeper into the nature of these sources and get a complete picture from the perspectives of the entrepreneurs. The second observation was the sources of network were resulting in the connection through actions of the entrepreneur. The one aspect of the subsequent interview questions was for theoretical sampling.

4.5 Data Analysis

This section will explain the data analysis techniques that have been used in the above collected data from interviews, observations, field notes and extant documents including website content. The coding is the main tool used to start the analysis of a grounded theory study. Coding is the important link between collecting data and developing an emerging theory to explain data (Charmaz, 2014). Through coding you:

- Define what is happening in the data
- Begin to grapple with what it means

A code sets up a relationship with your data and with your respondents (Star 2007). Coding is naming the segments of data with a label that categorizes, summarizes and accounts for each part of the data (Charmaz, 2014). Within Grounded Theory coding, a researcher moves beyond the statements in the data to make analytic sense of the stories, statements and observations. So the researcher begins to interpret the data with coding and understand the studied life. Star (2007) refers to the grounded theory codes as 'transitional objects' that connect the fragments of data with the analytic abstraction that we construct. Coding provides the researcher tools to interrogate, sort and synthesize hundreds of pages of interviews, field notes, documents and other texts. Interrogating the data means that the data is taken apart and examined how the data is constituted. So the codes are constructed to clarify how people respond to events, what meanings they hold and why these meanings evolved. The grounded theorists collect stories, scene or written statements, studies the materials to analyse what has happened and what that might mean. Charmaz (2006; 2014) argues that 'a researcher constructs codes' because we are actively naming the data. The researcher may think that the codes capture the empirical reality but it is "their" view. The researcher chooses his/her words, defines the data what they think is important

and describe what they think is happening. Thus coding process is interactive where grounded theorist defines and labels according to his/her actions and understanding. The interaction starts with talking to them while interviewing, interacting with them again through their statements and observed actions. This close interaction with data enables the researcher to understand participants' views and actions including ' tacit meanings ' attached to them.

Glaser (1978) asserted that “study your emerging data ”. These coding practices enable the researcher to look at your data and determine the analytic direction right at the beginning of the project. Charmaz (2014) asserts that "when you conduct grounded theory coding, you enter an interactive space that pulls you deeper into the data and keeps you involved with them." So you act on your data and these actions sustain your involvement with them. Being in the interactive space, the researcher can challenge his/her earlier pre-conceptions and hunches. Through grounded theory coding, we re-live and review our earlier interactions with the participants. This interaction continues many times over the period of researcher study. Based on the analytic and interactive space presented by Charmaz (2014), the following section will highlight the coding processes and interactions with the data in this research study.

There are at least two phases of coding in a grounded theory:

- Open Coding: initial phase naming each word, line and segment of data
- Focused Coding: a focused, selective phase that uses the most significant or frequent

The coding process started with initial coding. During initial coding, the researcher asks:

- What is the data study of? (Glaser 1978)
- What do the data suggest? Pronounce? Leave unsaid?

- From whose point of view?
- What theoretical category does this datum indicate? (Glaser, 1978)

The initial codes should be closer to the data. The initial coding should be reflecting the actions rather than types of people. Initial codes are provisional, comparative and grounded in the data (Charmaz, 2014). They are provisional as you constantly improve them to fit the data.

Glaser (1978) proposed using gerunds to detect processes and stay close to the data. The most common approach to initial coding is line-by-line coding in which each line is segmented and coded for action and processes. Grounded theorists also conduct a close cousin of line-by-line coding called incident by incident coding. In incident by incident coding, the grounded theorist conducts a comparative study of incidents happening with one individual to others to define properties of the emerging concept. The codes can be compared in many ways: looking at the context of each incident and comparing them. The constant comparative method presented by Glaser and Strauss (1967) helps to establish analytic distinctions. So you compare interview statements and incidents within the same interview and compare interview statements and incidents in different interviews.

Initial coding has many advantages. It helps the grounded theorists to fulfil two criteria for completing a grounded theory analysis: fit and relevance. The study fits the empirical world when you have constructed codes and developed them into categories that reflect the participant's experience. The study has relevance when it offers an incisive analytic framework that interprets what is happening in the research setting and makes relationships between implicit processes and structure visible. Incident by

incident coding helps to discover patterns and contrasts in the data. It also helps in distancing oneself from any pre-conceptions so that you can see it in a "new light".

The following is the excerpt of the open coding (incident by incident coding) done for the interviews conducted for this research study.

Table 20 - Example of Open Coding

<p>I am running a group of companies. We started out as a software services company that is now called....and we also own one of the largest portals in Pakistan called....which is one of the top automotive portal in the country and apart from that we have a company in the US that is a cloud based recruitment portal another subsidiary that provides mobile value added services and then we recently funded an in house company that is an employment exchange for blue collar workers so hiring drivers, cooks and maids so basically connecting people and helping them to hire blue collar labour.</p> <p>S: So we would start with your educational background.</p> <p>H: So I did my A levels from Sadiq School in Bahawalpur and then I went to LUMS and did my bachelors in computer sciences from LUMS and graduated in 2004 and started my first company before graduating so it was with some friends. We did it for a while and then I formed X in 2005 and other companies after that.</p> <p>S: So how did you start your business while you were a student?</p> <p>H: well that was a IT competition at the university and me and my group of friends decided to participate in that competition and we thought of an idea back in year 2000 of a wireless enables electricity meters that would give wireless meter readings thus saving the time for the line man to come to houses and take meter readings and send it so it would all become automatic. So we</p>	<p>Owning a group of companies</p> <ul style="list-style-type: none"> • Software Services • Automotive portal • US company cloud based recruitment • Mobile value added services • In-house company: employment exchange <p>Starting a company while a student</p> <p>Starting a company with friends at the university</p> <p>Starting a company in 2005</p> <p>Participating in a competition at the university</p> <p>Forming a team for competition</p> <p>Working on an idea of wireless meter readings</p> <p>Losing the competition</p> <p>Feeling confident in the business idea</p>
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<p>participated in that competition and did not go anywhere but decided to pursue this idea and we needed funding for that. So went to the founder of our university and very famous business man so we pitched him the idea and tried to get funding but he was not convinced. So we decided to start a software service company as we knew how to write code and then from there we started software consulting and from there on we just went on.</p> <p>S: So you mentioned We, how many of you were in starting this business?</p> <p>H: it was all 5 of us we were all class fellows, the initial group but then in 2005 I started this company with another professor of LUMS. I took a course from him in 2002 at LUMS and when I decided to start this company, I discussed it with him and he became my partner then</p> <p>S: So what kind of activities did you do while starting up?</p> <p>H: So when we were trying to go for the electric meter idea we went to the Dean and then we started looking online for customers who need software solutions and consulting and we found customers who were willing to pay for our services. So once we started, we grew and we started to hire people and become a more formal company.</p> <p>S: So how did you get hold of your first customer?</p> <p>H: So at that time I had a teacher in school who had come back from UK to teach us English back in our school days. He was not an old guy just few years elder than us. So I talked to him and he paid for the initial registration fee for the online market place where we could get projects so he paid for the \$1500 initial and we got the registration and we were able to pay him back in a few months with some additional amount. So that was our first customer through that online market place. So from there on it was mostly through word of mouth and organic growth. We did not have that aggressive business development. So</p>	<p>Approaching the university Dean for funding</p> <p>Being rejected for the funding</p> <p>Deciding to start a software company</p> <p>Using the acquired skills as a base for starting up</p> <p>Starting a venture with friends at the university</p> <p>Setting up a company with other professor at the university</p> <p>Discussing the idea with professor at the university</p> <p>Looking for customers online</p> <p>Finding customers online</p> <p>Hiring more people</p> <p>Using a school teacher as a source of funding</p> <p>Paying for the initial registration to get projects</p> <p>Getting the first customer through online market</p> <p>Growing customers through word of mouth</p> <p>Doing little business development</p>
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<p>the most of the customers can be traced back to some other customers or referrals through people we talked to and it was mostly a word of mouth and some business development activities....you know initially it was all work but for a few years there some outwards as well as I am part of an active lunch group of entrepreneurs. So like we do monthly lunch with tech entrepreneurs and other entrepreneurs in Lahore. Other than that I go to different conferences, events in Dubai and US wherever I find something interesting going on like India and basically its quite outward now going to conferences and participating in competitions. I was the one who brought 'start up week' to Lahore that is a global phenomenon and people try to build something in 2 days. So most of it is like running around and focusing on work. I am a member of chamber of commerce and Pakistan software house associations. I am not very active with the Chamber activities but quite action with PASHA that is Pakistan Software Houses Association. These forums have not directly benefitted for my business but meeting people and interacting with them gives you a new perspective and ideas and connections that you can later benefit from so you know its mutual so you deliver value and you gain value so I think it eventually pays off.</p> <p>S: So just confirming the timelines of the companies.</p> <p>H: yeah so in 2003 I was in L, in 2005 I started C, in 2008 we launched mobile value added services business that provides SMS based services to mobile operators, in the same year we acquired Pak Wheels that was an existing company but we gained majority shares and got hold of it. A year earlier in 2007, we developed that recruitment software for ourselves as we are finding problems in managing all the applications and in 2011 we registered a separate company in the US.</p> <p>S: So how these ideas did came?</p>	<p>Tracing the customers to the previous customers</p> <p>Being part of active lunch groups of entrepreneurs</p> <p>Attending different conferences Participating in different competitions</p> <p>Bringing 'Start up week' in Lahore</p> <p>Being part of Lahore Chamber of Commerce</p> <p>Being part of PASHA</p> <p>Getting new perspective and ideas from networking Delivering value Gaining value</p> <p>Explaining time line of companies formed Launching a new service for mobile companies Acquiring a website Developing a software for own company recruitment Registering the company in the US for recruitment software</p> <p>Facing difficulty in daily operations</p>
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<p>H: So I was facing a lot of problems in managing the applications through outlook and I could not find a software that could help me with that so we decided that we should a software for ourselves and once we used it we decided to develop it into a product so that's where the idea came. Pak W was an interesting one, I am a strong believer of Pakistan's Internet future so one of my friends who was a car fanatic told me about this website and I asked him if he would like to partner with me in buying that website and we did that. And the mobile value added services was also a weekend idea trying to create a group messaging system on SMS and we went into vertical and developed more products around that.</p> <p>S: so it seems that all the ideas were emerging from the teams?</p> <p>H: yeah basically if you observe your surroundings deeply around yourself and every day you encounter a number of issues that could be resolved through a product idea.</p> <p>S: So what's in store for C in future?</p> <p>H: Right now we have just got public non listed company and the plan is to build the company to a level that we could list our services business on a stock market hopefully in 3-4 years and we are diversifying into more services areas like ERP solutions and consulting. For the product companies, I am trying to set up as many independent management teams as possible so that they could run the products and I should be like an advisor or a shareholder because I do not have time to run all of them.</p>	<p>Developing software for company use Developing the in-house software into a product</p> <p>Registering that product as a company in US</p> <p>Acquiring a website with a friend</p> <p>Forming a partnership with a friend for a venture</p> <p>Forming a company on a 'weekend idea'</p> <p>Generating ideas from surroundings (being responsive to the environment)</p> <p>Solving a problem with a product idea</p> <p>Planning to register on a stock market</p>
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The excerpt above is an example of identification of different incidents in an interview as a way to understand what is happening. Charmaz (2014) argues that the incidents are coded as being conceptualized by the researcher. In the above example, I have

identified different incidents that are mentioned by the entrepreneur about their experience. As I have the initial interests in looking at the network development, the incidents that were indicating the connection with other actors were identified for example getting the first customer, using the school teacher as sources of funding, approaching the university Dean for funding the venture, forming partnerships etc. Charmaz (2014) suggested the comparative study of incidents where your ideas take hold and you compare your incidents to identify their properties. These incidents can be from the same interview or different interviews or cases. The following is an example of such incident by incident coding.

Table 21 - Example of comparing incidents

Incident: Forming Partnerships with companies I think what happened is that in the first few projects, we worked really really hard and we had decent experience we worked really hard, we used to work 7 days a week at least for first 2 to 3 years uhh and we did good quality work even in the projects that did not become commercial successes the people that we worked for could see that we are very committed and passionate team and those guys became	Case 1 Working hard on the early projects Building credibility Working hard Doing good quality work Impressing clients with their performance Displaying passion	Incident: Forming Partnerships with employees So all of those people are the people that I actually hired and that list has grown a lot so what we wanted to do different from other companies in Lahore was, one of the problem that I have seen in other companies is that they don't offer a career path I mean, people don't, capable people who have a lot of capability as well as their hunger to grow are not satisfied with their job which gives them a fixed percentage increase year after	Case 1 Making employees partners in the company Growing list of partners Suggesting ongoing process Trying to cater the problem with career path Designing a method to make employees partners
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<p>really good references even their projects did not work out, they became good references and they usually recommended us to other people to get their software development done. Then we became selective about the work we were doing because we were getting a lot more work that we could handle so we became selective about the companies that had good and and could sustain a partnership. And then the cycle repeated that we did good quality work for them and then worked really hard and they were happy with and appreciate the quality of work at the rates that were getting it and they became good references. So I think, one thing is that it means that there is an indefinite relationship so the distinction in my head is that a client would come and go right they will come and get their projects done and then go and</p>	Clients becoming references	<p>year so they need something bigger and better so we wanted to actually we as a retention policy to make people partners in the company, give them incentive to stick around. Since then anyone that proves that they are in long term aligned with the company and they prove over 2 3 4 years that they have actually added value to the company in our minds and if they are willing they qualify onto the partner zone so all the original employees are partners and many people we hired after them are now partners its like a uhh a consulting company right when people have contributed a lot and eventually they become partners. Yeah they are the people that I hired, R is the one I hired for previous employer in 2001 so I know him for 12 years now and Z I hired for my previous employer in 2006 and several other people who are not listed there,</p>	
	Becoming selective		Using the partnership as a retention policy
			Giving incentive to stick around
	Looking for partnership with clients		Proving to be aligned with the company on long term
	Repeating cycle		Doing value added work for the company
	Doing quality work		Willing to become partner
	Satisfying the customers		All original employees are partners
	Becoming good references		Imitating a consulting company
	Distinguishing between partnership and clients		Partners are from the previous employers
			Hiring the current partner as an employee for the previous employer

partnership is that we have invested in long term and they it's an indefinite relationship that we continue to help them with their technologies you know and building things for them. That's one aspect of it and the other aspect is you know whenever they have their exits or whenever they have uhh moments when the company is doing well so then we get a share out of it by actually cash reward or equity reward so that is two distinctions one is indefinite relationship and 2 when they have exit, we get to participate in them.	Engaging with clients for long term Helping the clients with their development Getting equity reward from the partnerships	the people that I hired became partners.	Hiring another partner as an employee for the previous employer
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These two incidents portray the two different kinds of partnerships that the entrepreneur built while reflecting on his experience about the entrepreneurial process. These two incidents show similarity in terms of showing patterns of a cycle. Furthermore, the incident related to forming partnership with the clients depicts the building of reputation and credibility. The incident related to partnership with employees also shows the building of trust and credibility through hard work and commitment with the company resulting in the partnership. But how does this comparison informs the theory being built? As Charmaz argues, these comparisons

spur ideas and shape the further analysis. These two incidents inform about two different networks that are being built: customer network and employee network. These two incidents are also showing the change in these networks and transformation of a client into a partner while becoming selective and an employee into a partner as a retention policy of the company. Similar comparisons have been performed in order to construct this grounded theory.

Engaging in focused coding is the second major phase in the coding process in constructivist grounded theory (Charmaz, 2014). According to Charmaz, focused coding process involves 'coding your initial codes' while expediting your analytic work without 'sacrificing the details containing in the data.' The incident by incidents coding conducted on the interview explained in the above examples captured the experience of the entrepreneurs going through the entrepreneurial process. Following is the example of the focused codes constructed in this study.

Table 22 - Example of Focused Coding

<p>"I went to my university network at Stanford and I also contacted some of my friends in the US and one of the friends he actually said that he had, he actually was doing a job and he said he already incorporated a company in the US and he wanted to start somehow a company so that guy became partner with me and he helped us in making our first project and then we used that anchor to generate more projects from my Stanford network and some projects from there and yes that's how it started."</p>	<p>Incident by incident Code: Finding people to work with</p> <p>Focused Code: Getting a partner through university</p> <p>Coding to Category: University as a source of partner network</p>
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According to Charmaz (2014), many projects use the initial and focused coding is enough to build an analysis. The focused codes that you construct, the patterns you identify is enough to build up the categories of the constructivist grounded theory. I have used some of the Glaser's (1978) 6 C's (causes, context, contingencies, consequences, co-variances and conditions) to rise these the focused codes into categories while asking questions: what led to this happening? What happened as a consequence?

4.5.1 Memo Writing

Memo writing is an important step in between the data collection and writing drafts of papers. When the researcher writes memos, they stop, analyse your ideas about the codes in any and every way that occurs to them. It is a very crucial step in the grounded theory process as allows the researchers to be constantly involved with the data being analysed. Memos record the thoughts, comparisons and connections that the researcher makes within data, the questions that they ask and directions that researchers want to pursue. Memo writing is a useful tool to get the ideas on the paper, develop them while collecting more data and engage in critical reflexivity (Charmaz, 2014). I have used memo writing in my data analysis throughout the process. One type of memos that Charmaz (2014) suggests is the research journal. I have already displayed these type of memos throughout the thesis. The types of memos that I used are as follows:

- Research Journal: interviews, field work
- Memos on Codes
- Memos on Categories
- Memos on Connections between categories

All these memos have been written throughout the research process to analyse the codes being built and the direction of the analysis. Following is an excerpt of an initial memo on the categories of the constructed grounded theory.

Becoming a Networked Entrepreneur is a substantive theory of entrepreneurship that describes how networks are formed through three distinctive but interlinked conceptual domains namely: sources of network, actions of the entrepreneur and processes involved in development of these sources into a connection through the entrepreneurial action. These three categories are defined as:

Sources of Network: the human and non-human factors that aid or build the networks of the entrepreneur. Building of a network is defined as getting connected to a new network actor. The aid in building a network means that getting connected to a network actor that was originally part of the extended network or is generated through the activities of the entrepreneur. The major sources of network are family, educational institutes, workplace, entrepreneurial activities, entrepreneurial venture, social activities and the entrepreneurial clubs. The sources can be divided into two types: entrepreneur and the environment. Even though the entrepreneur is part of environment but the distinction has been done to show interaction between these two sources.

Actions of the entrepreneur: intentional or unintentional actions taken by the entrepreneur that make him connected to various network actors. The entrepreneur is also a source of network as he is involved in the entrepreneurial activities, the social activities and the entrepreneurial clubs. These actions are initiatives taken by the entrepreneur or the response to the external environment.

The development patterns is the third category that explains the transformation of a source of network into a connection through entrepreneurial action and becoming source for further development of the network.

This memo was written after the initial 5 cases were coded and these categories were constructed as a theoretical leap and the further data collection was targeted in getting explanation and variation in these categories. The further data collection was done to explore how a network actor is a source defining it as a starting point in the development of network. The process of theoretical sampling was used which is explained in the next section.

4.5.2 Engaging in Theoretical Sampling

One of the key elements of a grounded theory study is engaging in theoretical sampling. Theoretical sampling involves starting with data, constructing tentative ideas about the data and then examining these ideas through further empirical inquiry (Charmaz, 2014). Some researchers confuse the theoretical sampling with other types of sampling such as sampling to address initial research questions, sampling to reflect population distributions, sampling to find negative cases and sampling until no new data emerges (Charmaz, 2014). The theoretical sampling involves a particular form of reasoning: abduction (Charmaz, 2014). Abduction is defined as a mode of reasoning about the experience for making theoretical conjectures-inferences- and then checking them through further experience – empirical data (Charmaz, 2014).

The initial sampling of the research study is done with the initial sampling criteria for people, cases, situations or setting before you enter the field. For example, my initial interest was to see how the networks are developed during an entrepreneurial process

so my initial sample was the entrepreneurs who were engaged in an entrepreneurial process. The initial findings showed the different network actors that were present in the entrepreneur's network and they were playing a facilitating role in getting the entrepreneurs connected to further network actors. The following memo explains the questions that were raised from the initial data collection.

Memo on sources of network

All the network actors have a connection with a previous actor and there seems to be a process of getting connected. Tracing back the entrepreneurial experience has revealed that there is a starting point of the network: **a source**

The data suggests that the entrepreneur refers to the starting point of a connection to various people or forums. They use the terms like 'this is where it all started'. There are many people that the entrepreneur comes to know when he is in the educational institutes like school and university. The entrepreneurs have been able to get connected to many new network actors through people they know from the school or the university they studied in. These are the people that they went to for guidance or had the confidence to start a new venture with them. They are also the first place that the entrepreneurs got the key talents for their venture. The university has also been a source of a customer network as the entrepreneurs got access to their initial projects through their university networks. Later the universities also connected the entrepreneurs to entrepreneurial clubs that they are part of. This has raised questions like:

What is a source?

What defines a network actor as a source?

How a network actor becomes a source of a network for an entrepreneur?

The further interviews with the entrepreneur has to be focused on whether the educational institutions have been a source for other entrepreneurs?

What are the other sources of network?

How does the source results into a connection?

The subsequent interviews with the entrepreneurs were focused on getting answers to such questions to further expand the categories and identify the relationship between them. Theoretical sampling can be used in both early and later stages of the research (Charmaz, 2014). One way of using theoretical sampling is re-interviewing the participant with a focus on your theoretical categories. After identifying the patterns and sources of the network in the first interviews, the subsequent interviews were conducted to first refine the definition of a source and get other sources of network for the entrepreneurs – one of the purposes of theoretical sampling (Charmaz 1991).

One of the questions that most of the grounded theorists struggle with are when do you stop gathering data? The standard answer to this question is when the theoretical categories are saturated and they account for the patterns in your data (Glaser 1978; Holton 2007; Wiener 2007). Many researchers use the term saturation as 'nothing new is happening', 'I was hearing same stories over and over' or 'seeing same patterns'. The grounded theorists establish patterns at various analytic levels and many are descriptive and obvious but do they inform the theoretical categories? The logic of saturation in grounded theory is to apply to categories rather than sample size (Charmaz, 2014). The sample size and saturation are linked to the research objectives and quality of data (Mason 2010). He argues that the skilled interviewer with 10 interviews can present more significant analysis than a novice interviewer with 50 interviews. Saturation is a judgement but also takes into account the situation of the

research like running out of time or money (Wiener, 2007). Charmaz (2014) argues that the following questions help in assessing if you have achieved saturation of the categories:

- Which comparisons do you make between data within and between categories?
- What sense do you make of these comparisons?
- Where do they lead you?
- How your comparisons illuminate your theoretical categories?
- In what direction do they take you?
- What new conceptual relationship might you see?

I have conducted 26 interviews with the 14 entrepreneurs from 13 firms. The initial interviews were open ended to reveal the stories of the entrepreneurs and get a grip of ideas to make sense of that experience. The incident by incident coding was conducted to the interview data and those incidents were then fit to different categories. The data collection was finished when the sources of network, actions of the entrepreneur and the developmental patterns were constructed as categories of the Grounded Theory 'Becoming a Networked Entrepreneur'. There are three types of comparisons that have been conducted in this grounded theory analysis: incident by incident that has shown underlying uniformity in playing facilitating role in getting the entrepreneurs connected to the network actor varying conditions are the customer network, family network, partnership network and educational institutes as source of network. These sources are then tested against subsequent interviews conducted with the entrepreneurs to look for more incidents supporting these uniformities. The sources of network incidents show that actions of the entrepreneur that results in the entrepreneur getting connected to the network actor. So the category of 'sources of

network' is compared to the category 'actions of the entrepreneur' interacting within a cycle pattern that form the theory 'becoming a Networked Entrepreneur'.

4.6 Summary and Conclusion

This chapter explained the process of constructivist grounded theory being conducted in this research study. The process starts with the initial interests and recruitment of participants for the research study. The entrepreneurs were selected from Lahore who were listed as the fast growing firms in Pakistan. The data collection methods are described as tools for the grounded theorists by Charmaz and this study has used intensive interviews as a data collection tool. 26 interviews have been conducted with 13 entrepreneurs to collect data for this research study. The incident by incident coding was conducted on the interview data followed by the focused coding and constructing categories. The memos were written throughout the whole process to record the analytical ideas and identify directions. Theoretical sampling was conducting through re-interviewing the research participants and focused questions around categories. The whole process is explained through excerpts from the research journals, memos and the examples of coding practices.

Chapter 5

Becoming a Networked Entrepreneur

“So yeah I think in workplace if you have a good experience of working with some people then it is lifelong professional relationship... right.. I mean you switch boundaries, join other companies but those relationships last longer than casual friendship... right... I mean I have a lot of casual friendships from [previous firm] days but then those don't help you in business the people that I actually help you in business are actually people that actually worked with you and uhh have done some tangible or result oriented work with you so you know you develop sort of a level of trust and confidence in their capability and that what really helps you right so when you are starting out a new venture, the one thing that you want to do is to start out with people whose capability and uhh cultural values you trust so I had a good fortune of actually working among those kind of people in [previous firm].” ----E1

‘So one of the co-founder was in the US and he had a full time job and the reason he became partner was he could generate some projects for us and he had a company in the US that was incorporated, we needed a shelter company to receive payments so that synergy worked to my advantage so he was one of my batch mates from university in Pakistan and he was someone that I completely trusted so he was a very very good friend so I said yeah it makes sense right’. -----E1

“So you know it's all interlinked you know these events don't happen in isolation. They are linked with something that is linked to something else. That professor at the university gave me work because he was a dentistry professor and I had worked in a company that had dental applications so the important thing is you know you gain experience and you build a network and then you capitalize both on your experience

and network on something that is slightly bigger than before. And you keep doing those things until you get I call a breakout opportunity and those opportunities present themselves and sometimes you fail on capitalizing on them and sometimes you succeed and I think that's a typical entrepreneur like me like you work hard work hard work hard, build a little bit on top of the networks and uhh and the experience that you have gained and out of the blue a bigger opportunity will present itself. So if you are in the game and doing effort a little bit every day, you may be able to capitalize on that opportunity. But if you sit and wait for a big opportunity, it would not happen".... E1

5.1 Introduction

The previous chapter presented the data analysis and study methods used to construct the grounded theory presented in this chapter. The data collected through intensive interviews was analysed through incident by incident open coding followed by focused coding. Becoming a Networked Entrepreneur is a substantive theory of Entrepreneurship that describes how networks are formed through three distinctive but interlinked categories: Sources of Networks, Actions of the Entrepreneur and Developmental patterns. A Networked entrepreneur is defined as an entrepreneur who is connected to various network actors like customers, suppliers, partners etc. A person is connected to the family and school network but as he starts a new venture, the venture itself becomes a network actor that connects to other actors. This theory of becoming a networked entrepreneur in the context of Pakistan shows the following three types of networked entrepreneurs:

- N1- The entrepreneur connected to family, educational institutes (national or international), entrepreneurial venture, entrepreneurial team, partners and entrepreneurs within their own industry;

- N2 – The entrepreneur connected to educational institutions for mentoring and support services and part of entrepreneurial clubs. These also include connection related to specific hobbies of the entrepreneur.
- N3 - The entrepreneur is connected to government institutions and are involved in the policy making boards.

These broad categories explain how an entrepreneur becomes part of a network and the network that builds around him. The sources of networks are defined as the human and non-human factors that aid and build the network of the entrepreneur. Building of network is defined as the getting connected to a new network actor whereas the aid in building a network is getting connected to the network actor that was part of the existing extended network or is generated through the activities of the entrepreneur. The major sources of networks are family, educational institutes, workplace, entrepreneurial activities, entrepreneurial venture, social activities and entrepreneurs clubs. The sources can be divided into two categories: entrepreneur and the environment. Even though the entrepreneur is the part of the environment but the distinction is done to show the interaction between these two types of sources. The second conceptual domain is the action of the entrepreneur that are defined as the intentional or unintentional actions taken by the entrepreneur that make him connected to the various network actors. This domain is linked to the first domain of the theory because the entrepreneur himself is the source of network development through his actions as entrepreneurial activities, the social activities and the entrepreneur clubs. These actions are initiated by either the entrepreneur or as a response to the external environment. The third conceptual domain that describes the theory of Becoming of Networked Entrepreneur is the developmental patterns that incorporates the process on the

time continuum thus showing the developmental patterns of the network of the entrepreneur while being engaged in an entrepreneurial activity. All these categories are linked with the following questions:

What factors led to this happening?

What seems to have happened as a result of this?

The terms 'becoming' is used to show the ontology that reflect the underlying activities and experience of the entrepreneur while the networks are conceptualised as a developmental outcome.

5.2 Sources of Networks

One of the conceptual domains through which an entrepreneur becomes networked is the sources of network. As described in the previous section, the sources are human and non-human factors that aid the building of networks of an entrepreneur. The data analysis indicates that the main factors that result in connecting with a new actor are the family, educational institutes, workplace, entrepreneurial activities, entrepreneurial venture, social activities and entrepreneurs clubs. Family has been identified as a key factor that results in the development of an entrepreneurs' network through portraying different roles. The following example is of an entrepreneur whose father was the key information supplier that got him connected to the company that helped him work for 6 years in the industry and got him connected to the company that was a source of key talent, skills and future partnerships.

"Basically when I was getting ready to go to US and uhh my father had actually saw an ad in the papers, all my processing had already been done. I had got my visa and I was ready to go to US but my father saw an ad in the papers which was asking for

top engineering talent in the company and at that they were they were hiring and paying a big amount actually 3 or 4 times the average industry salary to those engineers but the attractive part was not the salary part but the attractive part was that it was 3D programming and very specific problem solving that I wanted to do so that really attracted me so they conducted 3 tests in Lahore, Karachi and Islamabad and I appeared in the Lahore test....so I had interest in 3D in those days and I don't think many people were interested in 3D development so that's why I had a little bit of an edge over others because I was interested in that... they contacted me and I decided to stick around.” -----E1

“It was a very remarkable enterprise...at that time there were not any social networking sites so we used to hang around for coffee and stuff like that...but the company was a huge organization with 800 to 900 people with a lot of departments so I came across people from different disciplines that I would not have come across if I had been working in any other software company, the company had a legal department, they had pretty reasonable HR department they had call centres, they had uhh quality department like compliance department so I met a lot of different people that was just by the virtue of being part of a large organization.”-----E1

Apart from being the information sources, family was also identified as the major source of social capital of an entrepreneur especially at the start up stage. The family extended network played a key role in entering into a new industry.

“First one is when my shoe business was not doing so well actually it was losing money and there was this guy in the tractor company General manager there and his family was connected like his father came from the railways and we knew their family and I went to him that give me some small order at that time and I had just started to develop

auto parts and he said that he gave me an order for a small gear knob and screw and I manufactured that and came back to him and I think that was my critical connection of his parents with my parents in getting my first order from him in that industry”.----E3

The entrepreneurs that worked in the industry before starting up the venture develop a network due to their workplace and interactions with the customers during the job. The entrepreneurs regard the network developed as a useful sources of information and getting connected to the right people for their venture.

“As I told you we were already in the market and when people knew that we were going to start our own company they approached us and made commitment that and said that once you start this we are going to be with you because they knew that we were hard working people and we would be able to do things that we are committing so we had customers already lined up. In fact in the first few months that we did business and the business ad already picked up and we started making money right from first month fortunately and for the first 5-6 months we worked with zero marketing, there was no marketing involved at all and all the business we were getting was from word of mouth. Who knew us or knew that we started and they had a need for a training or network solutions, they would come to us and then those people would recommend more people so they will come to us so after 6 months that we realized that we need to do some marketing in order to get to the next level. So we did not have any sales and marketing team, we were the team so we started marketing activities like hoardings, banners and newspaper advertisements.”----E2

The entrepreneurs that started their ventures from the family businesses or the partners that had business connections also aided in connecting to the wider network.

The following excerpt shows the family connections of the partner aiding in getting an order for the new company.

*“So I had the exposure and you know uhh one of my partners you know the family was in the textiles so we thought that we could leverage that position so I had the experience and he had the connections so we started with this business so within 1 year we started manufacturing..... well I told you that we were sort of leveraging the connection we had through my partner in textiles so their family introduced us to some agents. So we got to meet those through that family connection and then it was after meeting them it was all up to us how we impress them and how to take them forward.”-
---E7*

The above excerpt indicates that the family connection was just a way to connect but the subsequent development was done by the entrepreneurs themselves.

The second major sources of the networks of the entrepreneur are the educational institutes that the entrepreneurs have been part of. The educational institutes through friends and teachers have been identified as the factors involved in the development of networks of the entrepreneur. Studying in an institution has been indicated as the entrepreneurs' choice without the expectation for benefit but the institutes have been identified as aiding the network development in the data analysed.

“I went to LUMS and did my bachelors in computer sciences from LUMS and graduated in 2004 and started my first company before graduating so it was with some friends. We did it for a while and then I formed the company in 2005 and other companies after that.....well that was a IT competition at the university and me and my group of friends decided to participate in that competition and we thought of an idea back in year 2000 of a wireless enables electricity meters that would give wireless

meter readings thus saving the time for the line man to come to houses and take meter readings and send it so it would all become automatic. So we participated in that competition and did not go anywhere but decided to pursue this idea and we needed funding for that. So went to the founder of our university and very famous business man so we pitched him the idea and tried to get funding but he was not interested. So we decided to start a software service company as we knew how to write code and then from there we started software consulting and from there on we just went on. It was all 5 of us we were all class fellows, the initial group but then in 2005 I started this company with another professor of my university.”---E13

The networks that the entrepreneur becomes part of at the educational institutes have also been identified as the sources of connecting with the customers and building new networks.

“well I went to my university network at Stanford and I also contacted some of my friends in the US and one of the friends he actually said that he had, he actually was doing a job and he said he already incorporated a company in the US and he wanted to start somehow a company and he said why not you use this company to receive your payments and everything so we started using that name because we needed to receive payments in the US so yeah so that guy became partner with me and he helped us in making our first project and then we used that anchor to generate more projects from my Stanford network and some projects from there and yes that’s how it started.”----E1

“So I had a professor at the university for example and I had done some research work for him. When I graduated, he asked me what I was doing and I said I was going to start a new company and he said that he is actually a consulting professor at a

university that were doing some cutting edge software development and they needed a team for them for a reasonable rates so he actually got us introduced there and we built that software and it was pretty cutting edge software 3D, we had 3D background so you know we were able to pull it off and that software gets used in one of the top dental schools in US by thousands of students who then graduate and they know who created that software and they would tell other people about it so that became another reference for another dental client that was trying to do some work in dentistry and they saw what we had done for that university and then they gave us a project.” -----
E1

The above excerpt shows that the entrepreneur tapped into the existing network to gain benefits and getting connected to the customer for projects. This would be explained through the second conceptual domain i.e. Actions of the entrepreneur. The entrepreneurial activities and the entrepreneurial venture also aids in developing the networks of the entrepreneur. The entrepreneurial venture becomes part of the industry and the local business community that gets the entrepreneur connected to the larger network.

“My first interaction was with the Pakistan Automotive Manufactures Association and it is very popular association in Pakistan and I became part of it by virtue of being an auto part manufacturer.”---E12

The social activities of the entrepreneur and entrepreneur clubs are also sources of networks and getting connected to wider network. These will be explored in the next section of the theory.

5.3 Actions of the Entrepreneur

The second category of the 'Becoming a Networked Entrepreneur' are the actions of the entrepreneurs that result in getting connected to the networks actors. The actions of the entrepreneur can be divided into three sub-categories i.e. entrepreneurial activities, networking with entrepreneurs across industries and hobbies and contributing to the entrepreneurial ecosystem. These activities are further divided that are summarized as follows:

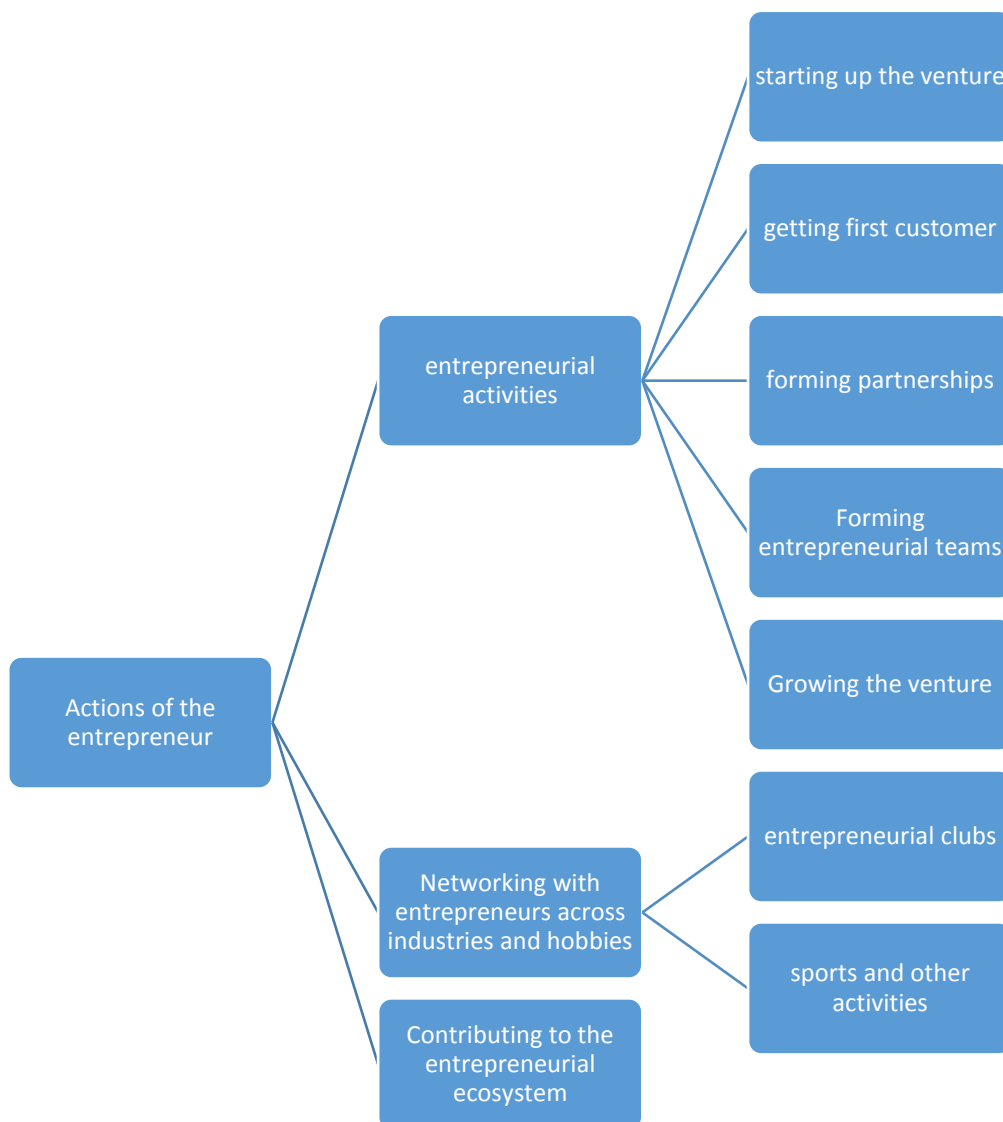


Figure 17 - Actions of the entrepreneur

The entrepreneurial activities are the actions that the entrepreneur takes when starting up the venture and results in connecting him to different network actors. The second set of actions are the networking that the entrepreneur engages in when interacting with entrepreneurs from different industries like the entrepreneurial clubs and their other hobbies. The third part of the activities are related to the contribution of entrepreneurs to the entrepreneurial ecosystem like becoming part of government association and recommending policies.

5.3.1 Entrepreneurial Actions of the Entrepreneur

The entrepreneurial actions of the entrepreneurs as identified in the data analysed are: Deciding to take the leap, getting the first customer, forming teams, engaging in teams and developing partnerships. According to the analysis, when the entrepreneur decides to start the venture, the first point of reference is the network of the entrepreneur that already exists explained through sources in the previous section. The following excerpt shows the discovering of business idea being part of the network of one of the sources i.e. workplace.

“Umm this business idea was like it that during my marketing job at Pepsi , this was the data that we used to get from other markets but it was not available for Pakistan and at that time the tv channels were coming in and the tv industry was deregulated and the private channels were allowed to operate and around 2000-2001, that time the first tv channels were coming in and uhh the concept of cable came in and then the decision to where to advertise and what rate to advertise was becoming more and more complex and being in Pepsi I learned that being in other markets they had more tv viewership data and that kind of data was not available in Pakistan so I saw this opportunity from the business side and from the personal side I was at Pepsi reaching

*to a certain point that I would have to leave Pakistan either on the next assignment or other work after that and I did not want to leave Pakistan so I thought that if I want to stay in the corporate career I would have to go outside sooner or later and if I don't want to leave Pakistan then I would have to start something on my own. So this opportunity was good, seemed relevant to what I was doing and relevant to **the networking that I had** so I started to work with a few international companies that had that did this and I got a so we got to work with an international company based in Germany and we are using their hardware and software so we partnered with them and launched in Pakistan.”---E10*

E10 recognized the opportunity while working in the sector before starting up his own venture. So the previous job became a source of an entrepreneurial venture network actor.

Getting the first customer is an important action that results in getting connected to the customer network. The initial action of connecting with the customer has been identified as the important action of the entrepreneur.

“So at that time I had a teacher in school who had come back from UK to teach us English back in our school days. He was not an old guy just few years elder than us. So I talked to him and he paid for the initial registration fee for the online market place where we could get projects so he paid for the \$1500 initial and we got the registration and we were able to pay him back in a few months with some additional amount. So that was our first customer through that online market place. So from there on it was mostly through word of mouth and organic growth. We did not have that aggressive business development. So the most of the customers can be traced back to some

other customers or referrals through people we talked to and it was mostly a word of mouth and some business development activities.”---E13

Another entrepreneurial action by the entrepreneur is formation of partnerships. One of the entrepreneur explained the partnerships as follows:

“So I think, one thing is that it means that there is an indefinite relationship so the distinction in my head is that a client would come and go right they will come and get their projects done and then go and partnership is that we have invested in long term and they it’s an indefinite relationship that we continue to help them with their technologies you know and building things for them. That’s one aspect of it and the other aspect is you know whenever they have their exits or whenever they have uhh moments when the company is doing well so then we get a share out of it by actually cash reward or equity reward so that is two distinctions one is indefinite relationship and 2 when they have exit, we get to participate in them.”---E1

There are two kinds of partnerships explained by the entrepreneurs in their experiences i.e. the partners that they start or grow their businesses with and others the partners that become connected to the firm due to customers or business development requirement. The partnerships that are built at the start up stage are the actors that already existed in the network of the entrepreneurs in the capacity as friends or former colleagues.

“I have 4 partners but I am the only working partner so 3 of them have their own business and they are silent partners and they are like investor and shareholders. Basically one is my brother who is based in Hong Kong and the other 2 are my class fellows from LUMS and so like 3 of us are class fellows.”--- E9

“As I told you I had worked with the gentleman from Silicon Valley so few people who were working with me there...when we started this company they came with me so that’s why I keep on calling us.... One of them is now my partner so we are two partners in this company. Actually we joined hands together for that start-up company and left the company together....I got that money from father of one of my friends and lend me amount of a couple of hundred thousand rupees. And my partner he got it from his aunt so we did not have much money but the family and friends were there and that’s the biggest source of the seed money that an entrepreneur can get and should be looking to so that’s how we got the money and went ahead and were able to pay them back and from then on it was an organic growth and we reinvested the money in business.” ---E2

“It was all 5 of us we were all class fellows, the initial group but then in 2005 I started this company with another professor of LUMS.” ----E13

“Basically we are three partners and we are all school friends so we have been together since grade 6 and one of the other partners is a shadow copy of me so he is mechanical engineer and he has done MBA from LUMS so we were in different classes and he graduated a year later and joined me. The third partner has a different background he is from business family background.” ----E10

“Having no knowledge of the IT industry so I thought that my growth has been blocked down so from my college times I had a friend so he has an IT background and he has all the education and skills with himself so in 96 I asked him to do a partnership so you can do the technical side and I will do the business side so he agreed....we decided to start a new company where me and my friend were in partnership and why did we

do it because I already told you that our technology got stuck and because did not know the basics so I need to have someone to cross the barriers” ----E7

Another entrepreneurial action by the entrepreneur is looking for partners that are not part of their network in order to expand their business.

“what I realized in my company in Pakistan by that time it was 20-25 people company that whenever I would come up with an idea they would say yes and that’s great let’s do it and whatever I would say would get it done so they really respected me and I really felt that people really like me and thought I was a kind of genius and it made me uncomfortable because I had lived in the US for a long time. I was used to getting my ideas challenged and it had like 50% of my ideas were crap and 50% had probably some merit and then you sort 20-30% and then may be only 10% were the good ideas but I felt that there is no way that 100% of my ideas were good so whatever I said got implemented really well....E14

they just did not want to disagree with me so I felt that it was a real business problem for me so I had to find a partner who was a people’s stature who could disagree with me....strategically I realized that I need to have a partner and I told all my friends you know and a lot of people wanted to partner with me because I was running a very successful company and they could see wealth rolling and all that but I did not partner with anybody.....So one of the reasons for going to MIT plan competition was not to like raise financing because were very profitable and we did not need money but to get mentorship and to get ideally a partnership”---E14

“we formed a company in 2009 and he took some decisions that I did not agree with but I went along because he was my partner and uhh if I disagree with everything then what is the point of being his partner so turned out that many of his decisions were

excellent like the people he hired and in the US they turned out to be a great value in fact one of them is now a junior partner and so now it's like that.”--- E14

The second type of partnership is created through connecting with the customer network and business development requirements by the entrepreneur. Following are the excerpts of those example by the entrepreneurs. All the entrepreneurs developed these partnerships in different stages and forms depending on their venture.

“As I told you that we are all electrical engineers and experts in communications so when we started this company even before that Cisco was like emerging as the biggest networking company in the world so we thought that we need to take up our speed to meet the Cisco technologies. So we were already using Cisco technologies so we thought why not formally become partners with them so that we could sell their networking solutions to market as well. So that's how we became partners with Cisco.”
----E2

“One of our philosophies is that it's not a hit and run sort of business relation with the client, we would like to give them a feeling that we want to be their long term partners. Tell them that we are here for you and not for one opportunity but long term. We make sure that we deliver a project to a client after that when they sign off and we are done, we remain in contact. That is very important.” ---E 5

“I think what happened is that in the first few projects, we worked really really hard and we had decent experience we worked really hard, we used to work 7 days a week at least for first 2 to 3 years uhh and we did good quality work even in the projects that did not become commercial successes the people that we worked for could see that we are very committed and passionate team and those guys became really good references even their projects did not work out, they became good references and

they usually recommended us to other people to get their software development done. Then we became selective about the work we were doing because we were getting a lot more work that we could handle so we became selective about the companies that had good and and could sustain a partnership. And then the cycle repeated that we did good quality work for them and then worked really hard and they were happy with and appreciate the quality of work at the rates that were getting it and they became good references.” ---- E1

Forming the teams for the entrepreneurial venture is another entrepreneurial action that resulted in the formation of network of entrepreneur and the venture itself. The teams are the part of the employee network that develops when the entrepreneur starts to hire and form the team together. The team and partnership overlap in some cases where the entrepreneur chooses to retain the good people to become partners with them.

“They are the people that I hired, R is the one I hired for my previous firm [where he worked] in 2001 so I know him for 12 years now and Z I hired for another company [where he worked] in 2006 and several other people who are not listed there, the people that I hired became partners..... So all of those people are the people that I actually hired and that list has grown a lot so what we wanted to do different from other companies in Lahore was, one of the problem that I have seen in other companies is that they don’t offer a career path I mean, people don’t, capable people who have a lot of capability as well as their hunger to grow are not satisfied with their job which gives them a fixed percentage increase year after year so they need something bigger and better so we wanted to actually we as a retention policy to make people partners in the company, give them incentive to stick around. ----E1

Since then anyone that proves that they are in long term aligned with the company and they prove over 2,3, 4 years that they have actually added value to the company in our minds and if they are willing they qualify onto the partner zone so all the original employees are partners and many people we hired after them are now partners it's like a uhh a consulting company right when people have contributed a lot and eventually they become partners.”--- E1

5.3.2 Networking with Entrepreneurs across Industries

The entrepreneurs described their social activities as interacting with the entrepreneurs in their industry and through them the initiatives taken on becoming the part of the entrepreneurial clubs. They were invited to be part of the network. Becoming part of the entrepreneurial networks as described by the entrepreneurs as an unintentional action that they did not expect. All the entrepreneurs who have been interviewed are also part of the All world Network- a network of fast growing firms in Pakistan. This was an external invitation by the organization for firms in Pakistan and the entrepreneurs became part of it after submitting their growth statistics. The entrepreneurs then were invited to US to meet Micheal Porter and got connected to the entrepreneurs of AllWorld Network from different countries.

“You know I had a chance to attend the couple of gatherings here in Lahore but unfortunately all the events in US and India, my partner attended them. So it was a good experience not only networking but I had a couple of venture capitalists from all world network who approached me and they wanted to invest in our company. So we had some serious offers from them. So networking obviously it helped us a lot.”—E9

“AllWorld Network was not a big thing but great thing about it was the visibility it gave us. And for the first time we realized that we have done something good. So when those people [all world network] asked us for numbers and we shared our data and when they selected us and they appreciated us and they held events in our honour and the best thing was that we had an opportunity to spend 4 days in Harvard and got to meet Micheal Porter, spent time in the State Department and Washington DC. Then we got to spend time with Google and also we connected to people like ourselves that we did not know before so we met people like [my other respondents]. So we met each other, made understanding, became friends. So I think all world gave us confidence and encouragement and belief in ourselves that we are doing good work. We knew we were doing good but there was no appreciation. So basically All World network was like that but like it did not give us benefit in business but banks got confidence on us that we are good customers. All other people like our customer like Unilever says that they are fast growing firm and you don't say by yourself but a recognition by another reputable forum gives you credibility. ---E3

“I know [my other respondent] through all world network and he was also a Crescentarian [went to same school] and a year younger and I know him from there as well”. E9

This activity connected these entrepreneurs and they continued to be connected through another forum- an entrepreneurial club. This entrepreneurial club has been described as a forum for socializing, learning from each other and getting a new perspective on things. These forums have also connected the entrepreneurs to the education industry especially the universities through mentorship.

“We recently started, I am a big supporter of entrepreneurship myself and recently started an organization by the name of OPEN and its Organization of Pakistani Entrepreneurs. It’s an organization that started in North America and now it had chapters in 5-6 cities of the US, It has got a chapter in Karachi and it has got a chapter in London and we started a chapter in Lahore. I am the president of the Lahore chapter. And what we are planning to do is promote entrepreneurship in Lahore and the surrounding regions, we are trying to create awareness, create venture capitalists and seed money for budding entrepreneurs, we are providing networking opportunities to entrepreneurs by holding seminars. OPEN is a platform for entrepreneurs and senior executives and established executives where they can interact with each other, learn and contribute to each other and contribute to the community in general. For OPEN what we have done is we have 3 distinct areas. First we are focusing on students then we are focusing on young professionals and budding entrepreneurs or young entrepreneurs who have just taken off and finally we are focusing on established entrepreneurs. And for these we have three distinct areas of activities. For students we are creating awareness and conducting seminars and field visits etc. and for young professionals, we have mentor ship programs where senior entrepreneurs would give advice and mentor the young entrepreneurs, support them and do some hand holding and help them move forward. And then for senior entrepreneurs, we provide networking aspect so they get an opportunity to interact with each other and talk to each other and actually develop business opportunities for each other. They can create opportunities or support each other, complement each other and help each other. So these are 3 focus areas that we have and we have 3 different set of activities for each group.”---E2

“I am also part of I regularly go to universities like LUMS when they have an event they will call me as a judge or mentor so I participate like start up weekend, I go every year.”—E13

“So I do a lot of things like being a judge for Asian ICT that is a big thing every year 16 countries so its like an Olympics for or academy award for software companies in different countries. So they enter and the judges decide which the best in each category is. So I have been judge for 5-6 years and this year they are coming to Pakistan so I am mainly involved in that so fundraising and all that. I am also Chairman of OPEN and they do a lot of things like events and mentorship.” ---E1

“Not directly for my business but meeting people and interacting with them gives you a new perspective and ideas and connections that you can later benefit from so you know it’s mutual so you deliver value and you gain value so I think it eventually pays off.”---E13

The last set of activities are related to engagement of entrepreneurs with the government bodies and policy making forums. The entrepreneurs in this study were involved in the industrial bodies like Pakistan Auto Parts Association, Pakistan Software House Association and Engineering Development Board.

5.4 Developmental Patterns

The third and the final category of the Becoming a Networked Entrepreneur is the developmental patterns that depicts the development of networks on a time continuum along with the interactions with the context. Connecting the two pieces of the theory presented above i.e. the sources of networks and actions of the entrepreneur, they are not happening in isolation. The sources of network indicate that the entrepreneur’s network is not static and he is not involved in all the activities at the same time. So the

first source is the family and the entrepreneur while being educated at the school and university gets connected to various people. Similarly while working before starting the venture and then while starting up the venture, the different sources help the entrepreneur in getting connected to the wider networks. Furthermore, the actions of the entrepreneur and social activities gets him connected to the different networks. The important point to be considered is that before starting the venture the entrepreneur is a person and going through this process of becoming a networked entrepreneur.

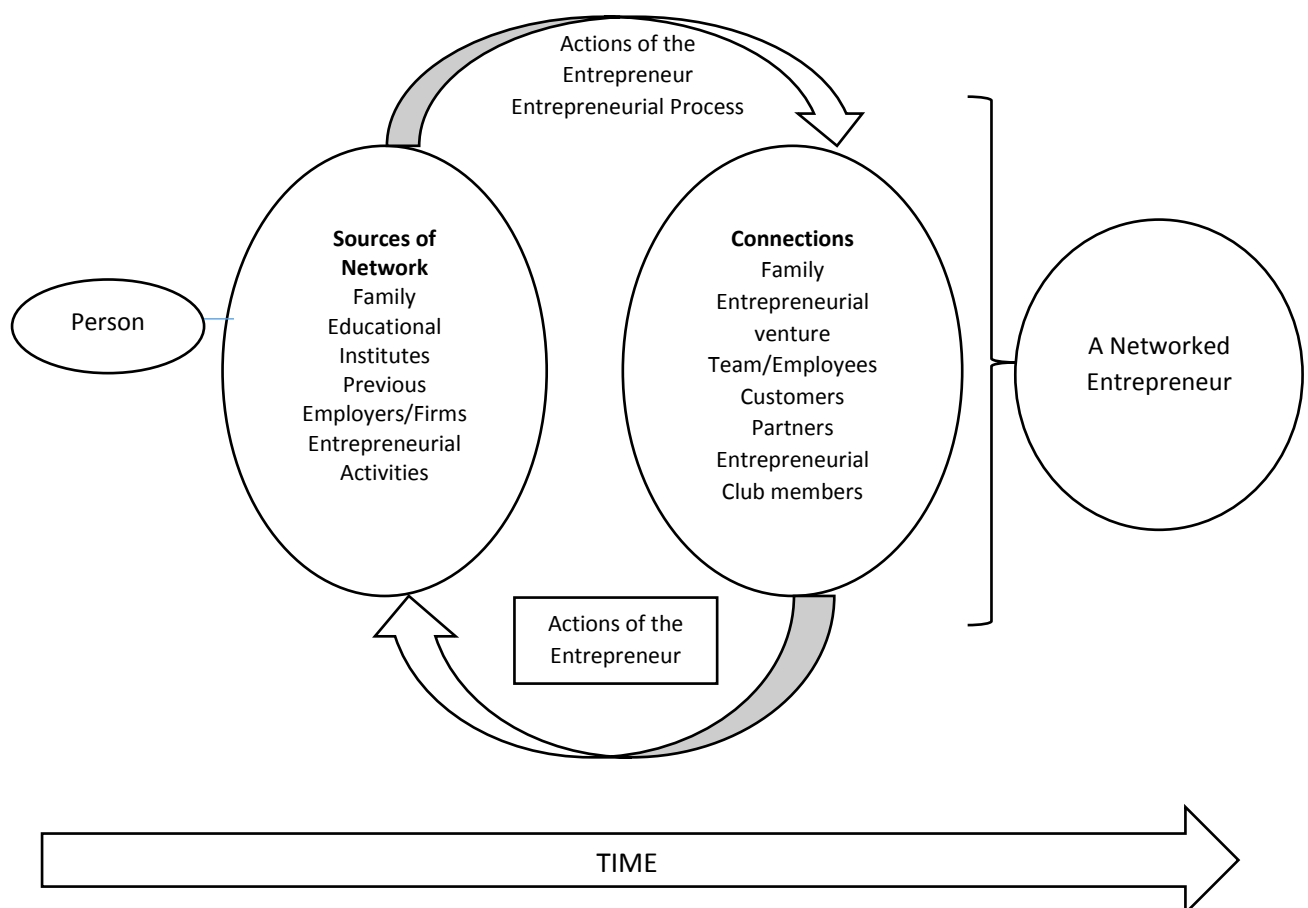


Figure 18 – Becoming a Networked Entrepreneur

The above diagram shows that the development of networks of an entrepreneur is a linear process but the connections between different network actors are not explained

through time. It is an ongoing process of recognizing that the sources of networks at one time become network actors connecting to the new network actors that the entrepreneur is connected to at the later stage. The arrows in the figure indicate that the previous connection become source for further development of network as shown in the empirical data. The development of networks can be explained as a cycle that is an ongoing interaction between sources of networks, actions of the entrepreneur and resulting in entrepreneur getting connected to the network. The data analysis indicates that the sources of network and actions of entrepreneur both get the entrepreneur connected to the network. The following are the examples to support this argument.

“I think what happened is that in the first few projects, we worked really really hard and we had decent experience we worked really hard, we used to work 7 days a week at least for first 2 to 3 years uhh and we did good quality work even in the projects that did not become commercial successes the people that we worked for could see that we are very committed and passionate team and those guys became really good references even their projects did not work out, they became good references and they usually recommended us to other people to get their software development done. Then we became selective about the work we were doing because we were getting a lot more work that we could handle so we became selective about the companies that had good and and could sustain a partnership. And then the cycle repeated that we did good quality work for them and then worked really hard and they were happy with and appreciate the quality of work at the rates that were getting it and they became good references.” --- E1

“So at that time I had a teacher in school who had come back from UK to teach us English back in our school days. He was not an old guy just few years elder than us.

So I talked to him and he paid for the initial registration fee for the online market place where we could get projects so he paid for the \$1500 initial and we got the registration and we were able to pay him back in a few months with some additional amount. So that was our first customer through that online market place. So from there on it was mostly through word of mouth and organic growth. We did not have that aggressive business development. So the most of the customers can be traced back to some other customers or referrals through people we talked to and it was mostly a word of mouth and some business development activities.” ---E13

“As I told you we were already in the market and when people knew that we were going to start our own company they approached us and made commitment that and said that once you start this we are going to be with you because they knew that we were hard working people and we would be able to do things that we are committing so we had customers already lined up. In fact in the first few months that we did business and the business ad already picked up and we started making money right from first month fortunately and for the first 5-6 months we worked with zero marketing, there was no marketing involved at all and all the business we were getting was from word of mouth. Who knew us or knew that we started and they had a need for a training or network solutions, they would come to us and then those people would recommend more people so they will come to us so after 6 months that we realized that we need to do some marketing in order to get to the next level. So we did not have any sales and marketing team, we were the team so we started marketing activities like hoardings, banners and newspaper advertisements.”--- E2

The above example shows the development of customer network through the source i.e. entrepreneurial venture and the actions of entrepreneur and getting connected to the wider network of customers. The connection between entrepreneur and the

educational institutes can also be explained through the cycle conceptualization of development of entrepreneurs. The educational institutes being the source of network for the person to becoming the entrepreneur, gets again connected to the educational institutes while connecting with entrepreneurial clubs.

“I am also part of I regularly go to universities like LUMS when they have an event they will call me as a judge or mentor so I participate like start up weekend, I go every year.”

The data analysis indicates that these developmental cycles occur in different situations for every entrepreneur. The nature of these situations could be different and context specific but every entrepreneur experiences these cycles while engaging in an entrepreneurial activity. For example, every entrepreneur tapped in their networks for funding, getting their first customer and forming partnerships through the existing networks. The sources of networks play an important role in getting the entrepreneur connected to the networks required for building the entrepreneurial venture but the actions of entrepreneur responding to those opportunities is also crucial in getting connected to the network. All these underlying cycles result in a networked entrepreneur that starts from being a person and connected to just family, educational institutes and workplace and people available through these sources but when the person starts the entrepreneurial activities, he becomes connected to the entrepreneurial venture and all the wider networks.

5.5 Summary and Conclusion

This chapter has presented the substantive theory of Entrepreneurship named as ‘Becoming a Networked Entrepreneur’ that has conceptualised the networks as developmental outcome with three main categories: Sources of Networks, Actions of

the entrepreneur and Developmental patterns. All three categories of the theory explain how an entrepreneur becomes connected to different networks in a journey from person to an entrepreneur. The sources of network are the factors that help the entrepreneur in getting connected to the network and the actions of the entrepreneur responding to the opportunities presented by the sources result in building a connection. The sources of networks change and grow with time and this process repeats in circles that is explained in the last category of the theory. The ongoing cycles of sources presenting opportunities and entrepreneurs responding to those opportunities results in building of a network around the entrepreneur that includes the entrepreneurial venture, customers, partners and entrepreneurial clubs.

Concluding the chapter, the main arguments presented in this theory are as follows:

- There is starting point of every connection in a network of an entrepreneur defined as a source of network
- The existing actors in the network of a person become sources of building new networks.
- The actions of the person responding to the opportunities results in getting connected to the network.
- The sources of networks and actions of entrepreneur repeat in cycles that result in a connection built to a network actor.
- There are three types of a networked entrepreneur: N1, N2 and N3. Every entrepreneur cannot be only but two as well as all types of the networked entrepreneur

The interview excerpts are used above in the chapter to support these arguments and present the evidence. The following chapter would present the discussion on this theory and how it contributes to the existing literature of entrepreneurship.

Chapter 6: Discussion

6.1 Introduction

The previous chapter presented the constructivist grounded theory of network development “Becoming a networked Entrepreneur”. According to the data analysis and theorising, the theory presents the developmental cycle of sources of networks and actions of the entrepreneur that results an entrepreneur connects with different networks. The sources of networks are defined as human or non-human factors that aid the building of networks of an entrepreneur. There are different types of sources of network identified by the data analysis namely family, educational institutes, workplace, entrepreneurial process, entrepreneurial venture, social activities of the entrepreneur and the entrepreneurial clubs. The properties of these sources are that they are time specific, related to different stages of the entrepreneurial venture and lead to multiple connections in a network. The second category of the theory of becoming a networked entrepreneur is the actions of the entrepreneur that have been divided in entrepreneurial, networking across industries and contributing to entrepreneurial ecosystem by the entrepreneur during the research study. The third category constructed is the developmental patterns identified in the data related to transforming the source of network into a connection through the actions of the entrepreneur.

This chapter aims to connect the dots and present the discussion about the theory presented and the existing literature on process theories, entrepreneurship and social networks. The first part of the chapter i.e. Section 6.2 will present the interpretation of the theory and its findings. Constant Comparative Analysis is the core of the grounded

theory method. This chapter will provide the comparisons between cases in terms of the categories defined in the previous section to highlight the properties of these categories. The second section of the chapter will discuss the point of departure presented in Chapter 2 and how the presented theory 'Becoming a Networked Entrepreneur' presents an integrative approach to studying the development of social networks. This study used the conceptualisation of network development by Slotte-Kock and Coviello (2010) looking at the organizational development and network development simultaneously in an integrated approach. Their conceptualisation presents network as a developmental outcome of an entrepreneurial process. The new theoretical framework devised through the theory would be presented in this section. This framework would show how an integrated process view is explaining the process of becoming a networked entrepreneur.

6.2 Becoming a Networked Entrepreneur

The constructivist grounded theory approach presented a useful approach to understand that experience and theorise the whole process. Through storytelling and narrative approach, the process of entrepreneurship was conceptualised through the social constructions of the entrepreneur. The use of the term 'becoming' shows the process of transforming from a person to a networked entrepreneur. The process starts with the person going through these activities such as getting educated, working in the sector, deciding to start a venture, getting funding, getting the first customer, hiring key talent/formation of entrepreneurial teams, growing the networks through business development, becoming part of the entrepreneurial clubs and resulting in a networked entrepreneur. The following is the simple snapshot of the diagram of the process of becoming a networked entrepreneur.

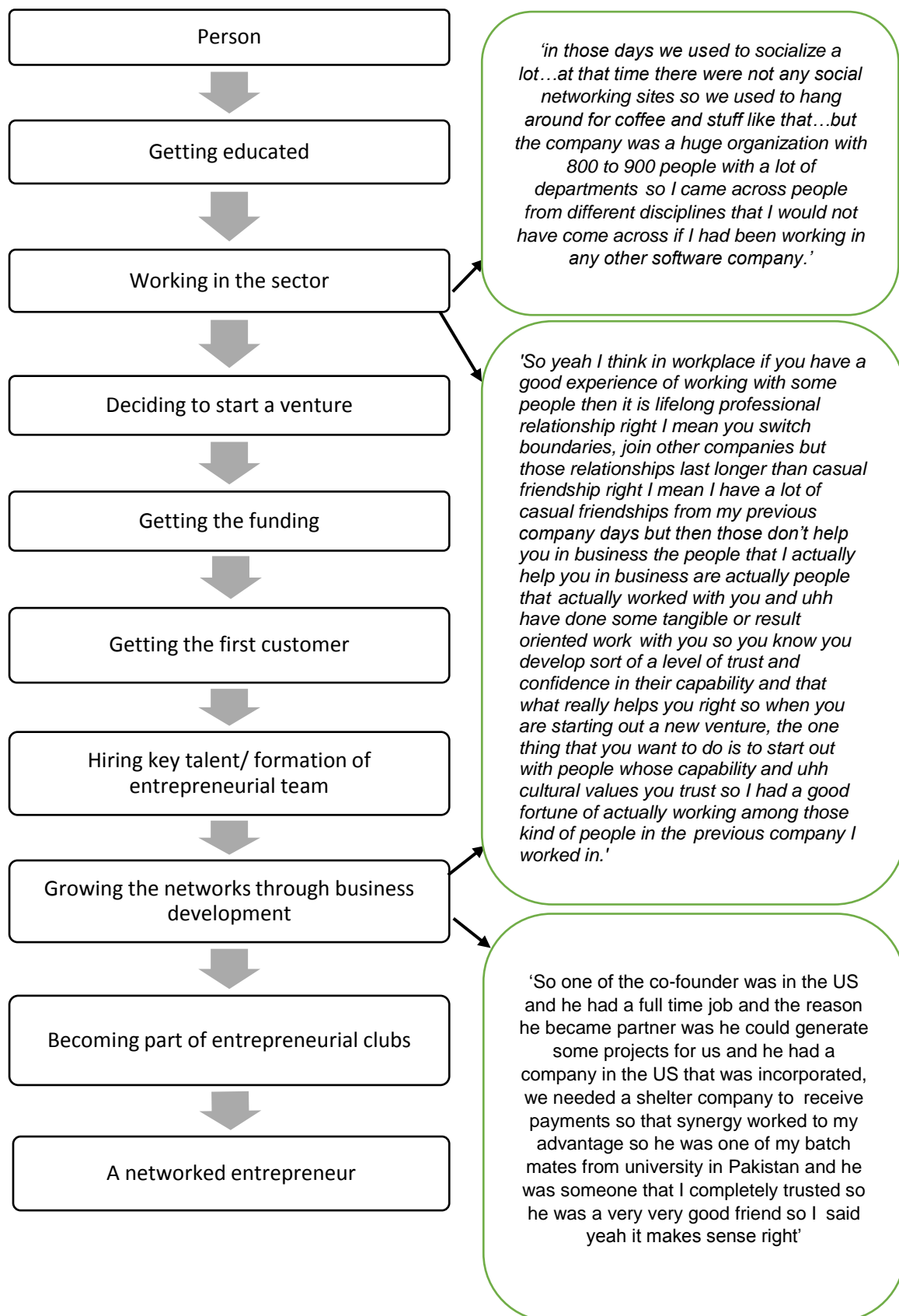


Figure 19 - Becoming a Networked Entrepreneur: A Snapshot of the process

The comparative analysis of all the entrepreneurs studied shows that every entrepreneur goes through this process except one entrepreneur who started his business while he was in the university. The process of becoming a networked entrepreneur is theorized through three conceptual domains: sources of network, actions of the entrepreneur and developmental outcomes. The sources of network are present in the environment of the entrepreneur that he operates in. The comparative analysis of the sources of networks through asking questions like:

- What is a source?
- Why is it a source?
- How does it become a source?
- When does it become a source?

The types of sources mentioned in the previous chapter are family, educational institutes, workplace, entrepreneurial activities, entrepreneurial venture, social activities and entrepreneurial clubs. All of these sources are not present at one time. These sources are developed with time and linked to the different phase of the entrepreneurial process.

The following excerpt from the interview transcript demonstrates the above properties of the source of network.

“...uhh...I worked there from 1998 to 2001. That was my first job after graduation..... In 2001 I left Shell and joined Pepsi and worked there for like 5 years from 2001 to 2006 and I worked at the franchise side which is the bottler management.... Umm M was like it that during my marketing job at Pepsi , this was the data that we used to get from other markets but it was not available for Pakistan and at that time the TV channels were coming in and the TV industry was deregulated and the private

channels were allowed to operate and around 2000-2001...and being in Pepsi I learned that being in other markets they had more TV viewership data and that kind of data was not available in Pakistan so I saw this opportunity from the business side. So this opportunity was good, seemed relevant to what I was doing and relevant to the networking that I had so I started to work with a few international companies that had that did this and I got a so we got to work with an international company called G based in Germany and we are using their hardware and software so we partnered with G and launched in Pakistan.” –E10

“I have 4 partners but I am the only working partner so 3 of them have their own business and they are silent partners and they are like investors and shareholders. Basically one is my brother who is based in Hong Kong and the other 2 are my class fellows from university and so like 3 of us are class fellows”. ---E9

“Well it was a capital intensive project so we needed financing at the beginning so like the project needed half a million dollars at that time. So from the investor’s side we got half of that and the rest we got financed from a bank. So primarily I needed investment and finance so I got these partners involved. So it was a strategic decision based on financing.” ---E10

“The recruitment that took place at the end was mostly word of mouth uhh more by referrals like people like K (entrepreneur that I have interviewed) and then people on the software side and then other connections that I had. Connections are something that you build over the period of time like for example K I know from my college days. K is senior from me but we were both into debating so he used to represent UET (university) and I was representing Government College so we met there and then my other connections came from the university side because lots of people were working

on the technology side so it's a kind of network of friends and friends' friend. So in the markets like Pakistan its mostly from the people you went school with and people you worked with and the people they know so there is a strong referral culture here in Pakistan you know like you pick up a phone and call someone and tell them you know them through someone else and you need that particular thing and generally people are very helpful.”---E10

“Yeah well I am actually. At the beginning I was not. First is that we are part of All World Network and then there is the chapter of OPEN that is Organization of Pakistani Entrepreneurs I am member of OPEN and All World Network and then I am also obviously part of Lahore Chamber of Commerce but it's more of a requirement for business visas and stuff. So the kind of work that we do is not very externally driven so like we have a set of clients that we deal with from broadcaster and advertisers so we have like 40-50 clients on our list so it's not like we are pitching for more business to companies because these are the companies that are there so it's kind of stable business from that point and we don't have many client interactions so we upload the data on our server and they get it from our server do their own analysis so from that end we do not have that social contact but from industry standpoint my social interactions have been from the industry standpoint so developments in the TV industry we are more involved in. Because we are seen as the important stakeholder in the TV industry and how it shapes up so generally we are involved in the discussions like how the content is evolving and how the regulations are evolved in the TV industry and what kind of content is doing well and what kind of content is not doing well. So like a day before yesterday I was in Karachi for a seminar from Pakistan Marketing Association on how TV ratings work and how the contents effect and how it is evolving

so these kind of interactions are not directly related but more towards the industry stakeholders and that's where my most interaction is.”---E10

The above excerpts show that the family as a source was used for financing and creating the entrepreneurial venture – a network actor. Educational institutes was the sources at multiple levels for example the friends at the university were source of funding and became partners in the business, the friends at the university and school were also the source of key talent that the entrepreneur hired. The workplace was the source of business idea for the entrepreneurial venture. The entrepreneur also became part of entrepreneurial club after starting up the venture.

The actions of the entrepreneur are also considered as the source of network. The social activities of the entrepreneur and initiatives taken for the development of entrepreneurship in Pakistan.

“You know initially it was all work but for a few years there some outwards as well as I am part of an active lunch group of entrepreneurs. So like we do monthly lunch with tech entrepreneurs and other entrepreneurs in Lahore. Other than that I go to different conferences, events in Dubai and US wherever I find something interesting going on like India and basically its quite outward now going to conferences and participating in competitions. I was the one who brought ‘start up week’ to Lahore that is a global phenomenon and people try to build something in 2 days. So most of it is like running around and focusing on work. I am a member of chamber of commerce and Pakistan software house associations. I am not very active with the Chamber activities but quite active with PASHA that is Pakistan Software Houses Association. “----E2

“The company itself has its own network like every year we invite our customers and suppliers for a meeting or a dinner together and we are probably the only company is

Pakistan that also invited its ex-employees once a year we invite them and we have a cricket match with them. We are interested in what they are doing and how they are doing so instead of getting foes out of them, we make friends out of them and they are our ambassadors all over the world and we don't tell people who we are. They tell people what kind of great people we are. Second in our company, there are only 4-5 people who have worked anywhere else before starting with us as they have special expertise like chartered accountant and colonel etc. and other than that people have been working here for a long time, they started their careers with us and that creates a lot of goodwill not only within our company but also outside our company. Even our customers are fascinated and enchanted with how we treat our people. They tell it to other companies, we don't have to tell them. So we try our best in staying on top in all the quality, delivery and price. We do not have an advertising budget as we have achieved what other companies have not and that is the buzz that goes around the people.” - --E4

“So PASHA is basically Pakistan Software house so when I won the MIT competition they were very impressed and they saw I was running an interesting company and everyone calls me a cash machine to see how much money we are generating and the most popular way of describing us is like me make money while we sleep [laughs] so when its night here its morning in US and people go to our site and click on ads, they purchase and the card gets charged and the money comes in our account. So I do a lot of things like being a judge for Asian ICT that is a big thing every year 16 countries so it's like an Olympics for or academy award for software companies in different countries. So they enter and the judges decide which the best in each category is. So I have been judge for 5-6 years and this year they are coming to

Pakistan so I am mainly involved in that so fundraising and all that. I am also Chairman of OPEN and they do a lot of things like events and mentorship.” E14.

The third category of the process of becoming networked entrepreneur is the development cycles from sources to connection that again become source for another connection. The following excerpt shows one example of such developmental cycle.

“my father saw an ad in the papers which was asking for top engineering talent in the company and at that they were they were hiring and paying a big amount but the attractive part was that it was 3D programming and very specific problem solving that I wanted to do so that really attracted me so they conducted 3 tests in Lahore, Karachi and Islamabad and I appeared in the Lahore test and then somehow I missed the interview as they could not get in touch with me but they contacted me again that based on your test results even though you missed the interview, we think we can extend you an offer so they made an offer and I decided to stick around.”

“Yeah in those days we used to socialize a lot...at that time there were not any social networking sites so we used to hang around for coffee and stuff like that...but A was a huge organization with 800 to 900 people with a lot of departments so I came across people from different disciplines that I would not have come across if I had been working in any other software company, so I met a lot of different people that was just by the virtue of being part of a large organization. AI was basically a 12 member team right the team that I originally joined and then later on we did a good job for them so they wanted to expand the team and we did similar hiring for similar places that we were hired from and I hired few people so those people were truly like amazing people so I had great experience...I personally hired them so I had a great experience with them, did some great quality work with them. So yeah I think in workplace if you have

a good experience of working with some people then it is lifelong professional relationship right I mean you switch boundaries, join other companies but those relationships last longer than casual friendship right I mean I have a lot of casual friendships from AI days but then those don't help you in business the people that I actually help you in business are actually people that actually worked with you and uhh have done some tangible or result oriented work with you so you know you develop sort of a level of trust and confidence in their capability and that what really helps you right so when you are starting out a new venture, the one thing that you want to do is to start out with people whose capability and uhh cultural values you trust so I had a good fortune of actually working among those kind of people in AI."

"yeah the co-founders of my company they are the people that I hired, R is the one I hired for AI in 2001 so I know him for 12 years now and Zia I hired for O in 2006 and several other people who are not listed there, the people that I hired became partners."

The above account is a very clear example to show the development of the source of network result in connection and become source for another connection in the network of the entrepreneur. The above illustrates that the father was the source of information for the job offer that got the entrepreneur connected to the company he worked in. Then this company became the source of entrepreneurial team that ultimately became partners in the company that he formed.

The above example of the empirical data and interpretation of the categories shows that process of becoming a networked entrepreneur is a dynamic process that involves the development of sources, their transformation into connection and again becoming sources for another connection. The following section will discuss the use of process

theories to explain the process of becoming a networked entrepreneur and how it can be explained by the integrated view of these process theories.

6.3 Conceptualising the Network Development

In chapter 2 of this thesis, the literature review was conducted and the latest conceptualisation presented by Slotte-Kock and Coviello (2010) was presented. This conceptualisation presented the network as a developmental outcome of the entrepreneurial process of a new venture creation. In this conceptualisation, Slotte-Kock and Coviello have integrated all the four process theory perspectives namely life cycle theory, teleological theory, dialectical theory and evolutionary theory. Furthermore, the units of analysis being used in this conceptualisation are network and firm itself developing together.

I argued in Chapter 2 that this study will be using this conceptualisation as a point of departure as mentioned by Charmaz (2006). The point of departure is defined as a starting point of the study that shows any preconceptions or ideas about the research that might influence the findings. Charmaz (2006) argues that stating and recognizing the point of departure is a useful practice for constructivist grounded theorists as it highlights the role of the researcher in constructing the reality and what he or she brings to the research study. This study started with looking at the organization development and network development simultaneously but as the study progressed, the network of the entrepreneur himself showed up as an important unit of analysis. Slotte-Kock and Coviello (2010) argued that the entrepreneurs are ***‘managing in the network’*** rather than ***‘managing the network’***. The entrepreneur, the centre of the whole process, was the one getting connected to different network actors.

The process of becoming networked entrepreneur starts with the person and while engaging in the entrepreneurial activities, he becomes an entrepreneur and his network grows along the way. In the process of becoming networked, through entrepreneurial activities the entrepreneur establishes his firm that also act as a network actor in its network. The process starts with the development of the network of family and friends while the person is studying. The comparative analysis of the cases shows that the type of connections that the person develops at that time play a key role in growing the networks in future. The network of friends and colleagues is also expanded through the work/job that the entrepreneur does before starting the venture. When the person operates in these networks, the opportunity for a venture is recognized by the entrepreneur and he starts to tap into his existing network of friends to form an entrepreneurial team. The sources of funding are also the network actors like family, friends or colleagues. The process of getting the first customer also begins with the existing network of colleagues and results in the development of a new network of customers along with the venture itself in the entrepreneur's network. The formation of partnerships is a process of operating in the customer network and business development activities. The entrepreneur becomes part of the entrepreneurial clubs and local business groups through the venture as a network actor. The social activities of the entrepreneur in those networks further grows his network. So in order to comprehensively understand the whole process of network development, an integrated approach towards the process theories is recommended (Jack et al., 2008). They also recommended the use of constructionist way of thinking in creating a hybrid theory of networks because it allows to appreciate, recognize and start to understand how the entrepreneurs use the networks and ties which they

operate in. Furthermore, it will help in understanding how they use the networking to enact the environment and support the growth of their venture.

The process of becoming a networked entrepreneur can be explained through an integrated approach of process theories. There is not one process theory approach that could explain it wholly. The process of transforming from a person and becoming an entrepreneur can be shown through the life cycle theory but as Slotte-Kock and Coviello (2010) argue that it only shows the prescriptive linear view of the process and fails to explain the how and why question. Furthermore, one of the properties of the sources of networks can be explained through the life cycle theory i.e. the sources are developed over time and linked to different stages of the entrepreneurial process. The process of becoming is a linear process but the elements or parts of the process are not happening one at a time. While the person is getting educated, he is developing networks of friends, teachers and colleagues but these connections do not transform into sources of his further networks until he taps into that network or being presented with an opportunity to pursue with the help of that network actor. So the Life Cycle Theory can only explain the linear flow of the process. Furthermore, the person who is in constant form of transforming, the changes can be explained through other process theories. The sources of networks of the entrepreneur grow as he is engaged in the entrepreneurial activities. The formation of entrepreneurial team is an example of such process where the entrepreneur chooses between the available contacts and figuring out who to work with in the venture. The source of the network for the entrepreneur is the existing network of friends and colleagues.

A teleology process theory is based on the assumption that the developing entity is purposeful and adaptive by itself or in interaction with others (Van de Ven, 1992). The entity socially constructs an envisioned end state and selects one course from

alternative routes available to reach its goal. So using the teleological view point, the process of becoming a networked entrepreneur is adaptive and based on the co-operation of different actors in building up the networks. The sources of network are family, educational institutes, workplace and entrepreneurial activities that are used by the entrepreneur to get information or get connected to further networks. The sources of network present a possible opportunity but it is the action of the entrepreneur that results it in getting connected. So the developmental cycle could be explained as a process where the entrepreneur adapts to the environment and the opportunities presented.

The entrepreneur faces different situations while creating a new venture that creates a discontinuous sequence of events. Using the dialectic view of process, the process of becoming a networked entrepreneur is driven by conflicts and resolves itself by balancing power. The process of becoming a networked entrepreneur involves constant interaction with the environment and responding to those changes. Becoming a networked entrepreneur can also be explained through the evolutionary process viewpoint. The actions of the entrepreneur in response to the environment queues can be explained through the evolutionary view point of process theory. The underlying developmental cycle of network sources through the actions of the entrepreneur results in getting connected to a network actor can also be explained by the integrated approach of process theories.

In the previous chapter, the underlying developmental pattern was described as a cycle of sources of networks through the actions of the entrepreneur result in the connection of the entrepreneur with other network actors. This developmental pattern cannot be explained by the single process theory. Although the sources of networks grow with time but without using the teleological, dialectic and evolutionary approach,

the process cannot be understood. For example, the entrepreneur gets the first customer from a source i.e. the client he knew from the previous job; a network actor that existed in his environment. When the entrepreneur served that customer, he became part of the firm's and entrepreneur's network. That customer then recommended another client in the market thus becoming a source for the entrepreneur for further connection. Then the first customer after working for long period of time offered to form a partnership, a new type of network actor. This whole cycle is not linear; instead it was the constant interaction of the customer with the entrepreneur who adapted and built credibility with that customer that landed him the partnership. This study presents an example of such approach towards the study of networks that uses the social constructions of the entrepreneur by reflecting on their entrepreneurial experiences and realizing the networks that they operate in. In the process of studying how the entrepreneur becomes networked, the transformative processes that involve the decisions that the entrepreneur takes when presented with the situation which ultimately aid him to **'manage in the network'**.

This theory of 'Becoming a Networked Entrepreneur' constructed presents itself as a starting point of studying the process of network development of an entrepreneur before starting the venture in an integrated approach that encompasses all the developmental processes of network. The connections that the person has become sources of growing the person's network. The people or organizations that the person gets connected to aid in his learning and developing his firm along with its network.

Through this integrated approach of studying network, it was found out that the development of network involves ongoing cycles of sources of networks followed by the actions of the entrepreneur resulting in a connection that again turns into a sources of network and this process continues. Thus this study presents an approach to

studying the development of networks during an entrepreneurial process by studying the development of sources of networks and their transformation process. The following is a revised version of the process of becoming a networked entrepreneur.

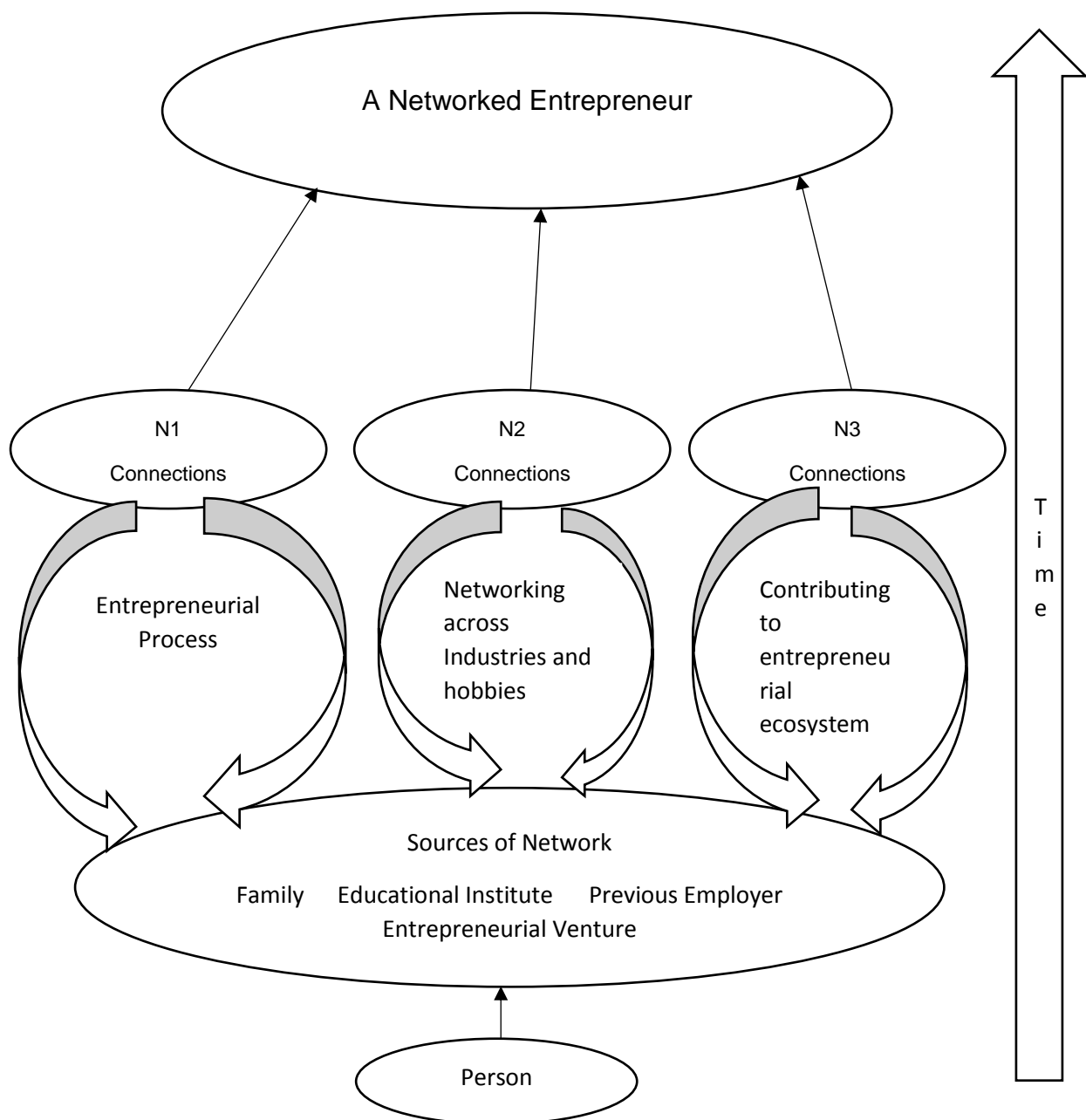


Figure 20 - Revised Version of the process of becoming a networked entrepreneur

In Chapter 2, I presented the three perspectives of network research i.e. entrepreneurial network research, social network research and business network research identified by Slotte-Kock and Coviello (2010). According to the Business network research, the entrepreneur is engaged in a purposeful action and externally controlled (Johannisson, 1988). Thus the business network researchers study the 'managing in the network' rather than 'managing of the network'. The social network research literature views the change in networks is driven by the context rather than the entrepreneur and considers the network formation as calculative. It also considers networks as non-hierarchical adaptive systems where actors are simultaneously involved in the on-going network management. The business network researchers try to study the interaction within and between dyads as they are related to the context of an inter-organizational network as borderless (Slotte-Kock and Coviello, 2010). The theory of 'Becoming a networked Entrepreneur' has integrated both these perspectives to show the macro level of network development through the transforming process from a person to a networked entrepreneur and the underlying development cycle of sources of network and actions of entrepreneur resulting in connecting to a network look at the micro level of dyad interaction.

The type of networks that the entrepreneur has before starting the venture are based on his family background, education, work experience and social activities. While engaging in the entrepreneurial activities to form a venture, the network of the entrepreneur grows with new actors connected through the existing sources such as the firm itself that is connected to a network of customers, suppliers, partners and employees. The entrepreneur also becomes part of the local environment networks such as chamber of commerce and other entrepreneurial clubs.

The presented theoretical framework has been constructed through studying the networks formed in the environment that the entrepreneur is present in. It does not specify the boundaries of the network and look at the development of networks around the entrepreneur. The networks are formed at different times under different conditions. The process of becoming a networked entrepreneur in Lahore, Pakistan has shown that the sources of network are present in the environment of the entrepreneur and result in a network connection through constant interaction with the context.

According to their review, Larson and Starr (1990) three stage model of network formation was the first comprehensive conceptualisation of network formation. In the first stage, the key activity is to look for the contacts that will provide support and resources for the start-up especially family friends and existing business contacts. The second stage is where the exchange relationships become more multiplex. The third stage is where the relationships are more complex and exchange high quality information. Hoang and Antoncic (2003) argued that this model assumes that the entrepreneur starts to look for the contacts after recognizing the opportunity and decision to start the venture. They asserted that the early network formation and development might be related to the characteristics of the entrepreneur like his education and work experience. My study shows that the network formation at the early stage theorised as the source of network is related to the education background and working in the industry. The networks start to develop while the entrepreneur is studying and in the later stage help the entrepreneur in recognizing an opportunity as well as serve as key sources of further networks. This result was obtained when the networks were considered as a developmental outcome of the ongoing process of becoming a networked entrepreneur.

The three types of networked entrepreneurs with different set of connections are an extension of the network evolution model presented by Butler and Hansen (1991). The N1 connections are the same as the social and entrepreneurial networks of the entrepreneur. N2 and N3 can be considered as strategic connections with details regarding their engagement with the government and industrial bodies.

This integrated approach of studying networks has been devised through the use of Constructivist Grounded theory that allowed to view the experience of entrepreneurs and their social constructions in a way that enabled the researcher to understand the whole process in this way. The process of 'Becoming a Networked Entrepreneur' integrates the four process theories i.e. life cycle theory, teleology, evolutionary and dialectic view of the process. Through studying the experience of becoming networked, the networks that are formed at the macro level and the interactions in the dyad level could be shown.

6.4 Conclusion

This chapter presented the arguments how the Constructivist Grounded Theory in the previous chapter provides an integrative view of process theories for the development of social networks. Slotte-Kock and Coviello (2010) presented a conceptualization of the social network development through integrating all the perspectives of process theories, the integration of Social network and Business Network approaches to investigate the micro level of dyadic interactions and macro level of network structures and focusing on the network as a developmental outcome of the entrepreneurial process. The process of becoming a networked entrepreneur presents a theoretical framework grounded in the empirical evidence that can be fully understood through the integrative view of process including life cycle theory, dialectic theory, evolutionary

theory and teleology. Through observing the process of becoming a networked entrepreneur, it has been found that there are the starting point of a network actor present in the network of the entrepreneur. These sources are linked to different steps of the entrepreneurial process and transform in developmental cycles that result in new connections. The theory presents the development of networks at the dyadic level as well as the change in structure of these network connections.

Chapter 7: Conclusion and Recommendations

The previous chapter presented the discussion of the substantive theory 'Becoming a Networked Entrepreneur' and how it provides an integrative process approach to study network development in an entrepreneurial setting. The study reveals that there are three conceptual categories that explain the process of becoming a networked entrepreneur i.e. the sources of network, the actions of the entrepreneur and the developmental cycles. This chapter will present the conclusion of the whole thesis starting from the evaluation of the grounded theory constructed in this research study. The next section will present the implications of this research and recommendations for use of this approach for further research.

7.1 Evaluation of Grounded Theory Studies

Charmaz (2006) provided the following questions to evaluate the grounded theory. I will be answering these questions in light of the presented theory.

7.1.1 Credibility

- Are there strong links between gathered data and argument?

The gathered data was the in-depth interviews with the entrepreneurs who went through the entrepreneurial process and became networked entrepreneur. There are links between the gathered data and the arguments presented in this theory. The gathered data was coded through incident by incident coding revealing situations and links between categories constructed about the entrepreneur's experience. The development of sources and their transformation into connection through interaction with the context is presented through interview excerpts in the presented grounded theory.

- Is the data sufficient to merit claims?

The sufficiency of data is claimed through the practice of theoretical sampling. I have practiced the theoretical sampling through re-interviewing the already interviewed entrepreneurs and selecting the entrepreneurs from different industries and educational backgrounds.

- Do categories offer a wide range of empirical observations?

There are three categories constructed in this grounded theory. The first category is the sources of network that provides the environmental factors that develop a network actor and the entrepreneur uses this actor to develop further networks. The second category provides the actions of the entrepreneur when they are involved in the entrepreneurial process. The third category shows the developmental patterns of the sources of network transforming into connections. These three categories show different aspects of the process of becoming a networked entrepreneur.

- Has the research provided enough evidence for the researcher's claims to allow the reader to form an independent assessment?

I have provided the empirical evidence with the claims in the grounded theory and showed the whole process of analysing the data in one of the chapters of the thesis.

7.1.2 Originality

- Do the categories offer new insights?

The category sources of network provides the illustration of interaction of the entrepreneur with the environment resulting in the network actors helping in development of further networks. The sources have different types, time specific and linked to different stages of the entrepreneurial process. The networks of an entrepreneur have not been studied in this way in any study. The actions of the entrepreneur are context specific related to different stages of the entrepreneurial

process. The developmental cycle of a source becoming a connection and becoming a different kind of source for the entrepreneur at different stages of the entrepreneurial process is a new type of development cycle constructed in this research study.

- How does the grounded theory challenge, extend, and refine current ideas, concepts and practices?

This grounded theory presents a constructive way to study the networks in an integrated process approach. Through studying the process of becoming a networked entrepreneur, the entrepreneurship researchers can study the development of networks in an open system with entrepreneurial process and network development in an integrative approach. The network development has been conceptualized through process theories of life cycle, teleology, dialectic and evolutionary perspectives but there is a need for an integrative approach to fully understand the process of social networks. This study has constructed a framework from the empirical data that shows that the process of network development is explained through an integrative approach.

7.1.3 Resonance

- Do the categories portray fullness of the studied experience?

The studied experience of becoming a networked entrepreneur has been explained through categories: sources of network, actions of the entrepreneur and the developmental cycle of the sources into connections during the whole process. The properties of the categories show that the process occurs over the period of time and different categories are linked at different stages of the process. In other words, these categories are capturing the network formation and the network transformation during the entrepreneurial process.

- Does the grounded theory make sense to the participants?

One of the activities that I performed after constructing the grounded theory was discussing with the participants in an informal setting about the theory. They were quite interested in seeing the network maps and the kind of networks that they had developed over the years. The transformation of different sources into other sources was something that greatly fascinated them.

- Does analysis offer them deeper insights about their lives and worlds?

The theory presents the theoretical understanding of the process of network development in the context of Pakistan. For the entrepreneurs, the kind of networks they develop before starting the venture eventually become sources of further networks of the entrepreneur. The entrepreneurs were most interested in their role in developing their network and were quite moved with the term 'managing in the network'. The theory also shows that the entrepreneurs live in a connected world with many networks that are constantly changing. Through reflecting on their entrepreneurial journeys, the entrepreneurs became aware of all those networks. This study reveals that the development of networks from the early stages before starting a venture plays a key role in an entrepreneur's ability to recognize opportunity and trace vital resources. So if a person who is aspiring to be an entrepreneur could benefit by operating in different kinds of networks before starting a venture.

7.1.4 Usefulness

- Can the analysis spark further research in other substantive areas?

The theory of becoming a networked entrepreneur presents a start of an integrative study of development of networks that can be expanded into various conceptual directions. This framework can be used to study different entities for example the process of becoming a networked organization that could specifically study the development of the network of the organization. Another area to explore could be

understanding the developmental cycles and looking into which, why and how different connections convert into sources of network. So by using the constructive thinking, we can move forward in understanding the process of network development in the field of entrepreneurship.

7.2 Implications for further Research

This study has the following implications for the research in the entrepreneurship literature. This study provides a way to study the process of network development in an integrated approach. The existing literature has used only one or two process views but the development of networks in an entrepreneurial process is complex in nature that could only be explained through an integrated approach. By studying the process of becoming a networked entrepreneur, the researchers can view the process in an integrated approach which involves the development of networks before starting the venture and interaction of the entrepreneur with the environment where these networks are being developed. The networks are conceptualised as a developmental outcome so they are neither dependent on the entrepreneurial process nor affecting it. They are the developmental outcome of the process of interaction of the entrepreneur with the external environment that involves the entrepreneurial process and the growth of the venture. Furthermore, the process of becoming a networked entrepreneur shows the entrepreneur connecting with different network actors that is characterized as an ego-centric network but they are being developed in an open system without any boundaries. It shows the interaction of an entrepreneur becoming connected to different network actors like customers, partners, employees and entrepreneurial clubs. It also shows three types of networked entrepreneurs namely N1, N2 and N3.

The further research in this area could be in the three categories that have been constructed in this substantive theory. The conceptualisation of the networks actors as a source of network provides insight into what facilitating role an actor plays in developing the entrepreneur's network. These network actors are present in the environment around the entrepreneur but become sources for further development of the network at different stages of entrepreneurial journey. The future research can explore under what conditions and how some network actors become sources while others do not play any part in the development of a network. The second category is related to the actions of the entrepreneur. The further research could explore why entrepreneurs act upon the sources of networks and what influences their decisions regarding getting connected to a network actor. As mentioned earlier, this framework can also be used to study the process of becoming networked of different entities like an organization or an industry. Another area to explore could be understanding the developmental cycles and looking into which, why and how different connections convert into sources of network in different contexts. So by using the constructive thinking, we can move forward in understanding the process of network development in the field of entrepreneurship. Furthermore, the three types of networked entrepreneurs and their connections is also an area for further research addressing the issues like why one entrepreneur just has N1 connections and why other entrepreneurs in the same industry have N2 and N3 connections.

7.3 Implications for the Entrepreneurs

This research study also has implications for the entrepreneurs. Through studying the development of networks during an entrepreneurial process implies that the entrepreneur should be aware of the networks that he operates in. If the entrepreneur is aware of the networks, he/she would be in a better position to manage within that

network. One of the feedback that I got from my respondents was that after the interview and discussion on the findings, the entrepreneurs became aware of the networks they operate in and which ones can facilitate their growth. They regarded networking as a fruitful activity and considered themselves as the drivers of those networks. This study reveals that the development of networks from the early stages before starting a venture plays a key role in an entrepreneur's ability to recognize opportunity and gain key resources for their entrepreneurial venture. So if a person who is aspiring to be an entrepreneur could benefit by operating in different kinds of networks before starting a venture. One of the reasons the entrepreneurs involved in the entrepreneurial clubs like OPEN Lahore chapter was to provide a networking platform to the existing entrepreneurs as well as aspiring entrepreneurs through mentorship and incubation centres. It is also crucial for the entrepreneurs to realize the importance of the developmental cycle of sources of networks becoming a connection and a source again for further development of the network. The entrepreneurs should also be aware of issues related to ethics and cultural norms while networking in a specific network.

7.4 Implications for Policy Makers

This research study also has implications for policy makers who are trying to promote entrepreneurship in an economy. By providing different social interaction platforms for aspiring entrepreneurs, the policy makers can promote the chances of entrepreneurs in building their networks and operating in them effectively. During this research study, the respondents shared their experiences of operating in the entrepreneurial clubs and their interactions with the students at entrepreneurial incubation centres. The policies

designed to enhance the interactions and exchange of knowledge between the academic institutions and entrepreneurial world could benefit both the entrepreneurs and aspiring students in developing a network that they could benefit from in the future. In the introductory chapter, I presented the Entrepreneurial Ecosystem in Lahore, Pakistan. During my research study and PhD work, I have been observing the change in the entrepreneurial ecosystem in Lahore. After All World network, many new initiatives have been taken to provide guidance and skill development for aspiring entrepreneurs. The entrepreneurial ecosystem provides a useful way for the policy makers to provide sources of networks for the nascent entrepreneurs.

7.5 Summary and Conclusion

This study was designed to achieve the following research objectives:

- 1 Describe the process of social network development during entrepreneurial process in fast growing firms
- 2 Examine the developmental patterns of networks of the entrepreneur and the venture before starting the venture until the current state.
- 3 Develop a theoretical framework for studying the process of social networks along the entrepreneurial process.

These objectives were achieved through the constructivist grounded theory analysis of in depth interviews with 14 entrepreneurs who were involved in the entrepreneurial process of high growth firms in Lahore, Pakistan. The review of the entrepreneurship literature presented a need for an integrative approach to study the development of social networks during an entrepreneurial process. The constructivist grounded theory analysis of the entrepreneurial experience of the entrepreneurs provided a process of

becoming a networked entrepreneur. The process of becoming a networked entrepreneur was explained through three conceptual domains: sources of network, actions of the entrepreneur and the developmental patterns of sources becoming a connection and again becoming a source for another connection. The sources of networks were the actors in the environment of the entrepreneur and were developed as the entrepreneur engaged in the entrepreneurial activities. The theory of becoming a networked entrepreneur presents an integrative process view of the development of social networks in an entrepreneurial setting. This framework can be used to further understand the process of social network development through constructive thinking in the field of entrepreneurship.

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